

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

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

1 Company details

Company number 0 9 7 2 0 5 1 7

Company name in full QUEENS HOTEL (LLANDUDNO) LIMITED

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

2 Court details

Court name HIGH COURT OF JUSTICE, AND PROPERTY COURTS OF
ENGLAND AND WALES

Court case number C R - 2 0 1 9 - 0 0 5 4 2 3

3 Administrator's name

Full forename(s) ROBERT

Surname ARMSTRONG

4 Administrator's address

Building name/number C/O KROLL ADVISORY LTD

Street THE SHARD

32 LONDON BRIDGE STREET

Post town

County/Region LONDON

Postcode S E 1 9 S G

Country UNITED KINGDOM

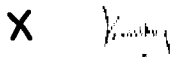
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Notice of move from administration to creditors' voluntary liquidation

5	Administrator's name ①		
Full forename(s)	ANDREW		① Other administrator Use this section to tell us about another administrator.
Surname	KNOWLES		
6	Administrator's address ②		
Building name/number	C/O KROLL ADVISORY LTD		② Other administrator Use this section to tell us about another administrator.
Street	THE CHANCERY		
	58 SPRING GARDENS		
Post town	MANCHESTER		
County/Region	GREATER MANCHESTER		
Postcode	M 2 1 E W		
Country	UNITED KINGDOM		
7	Appointor/applicant's name		
	Give the name of the person who made the appointment or the administration application.		
Full forename(s)	THE COURT		
Surname			
8	Proposed liquidator's name		
Full forename(s)	ROBERT		
Surname	ARMSTRONG		
Insolvency practitioner number	2 1 3 3 2		
9	Proposed liquidator's address		
Building name/number	C/O KROLL ADVISORY LTD		
Street	THE SHARD		
	32 LONDON BRIDGE STREET		
Post town			
County/Region	LONDON		
Postcode	S E 1 9 S G		
Country	UNITED KINGDOM		

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Notice of move from administration to creditors' voluntary liquidation

10	Proposed liquidator's name ^①									
Full forename(s)	ANDREW									
Surname	KNOWLES									
Insolvency practitioner number	2	4	8	5	0					
① Other liquidator Use this section to tell us about another liquidator.										
11	Proposed liquidator's address ^②									
Building name/number	C/O KROLL ADVISORY LTD									
Street	THE CHANCERY									
	58 SPRING GARDENS									
Post town	MANCHESTER									
County/Region	GREATER MANCHESTER									
Postcode	M	2		1	E	W				
Country	UNITED KINGDOM									
② Other liquidator Use this section to tell us about another liquidator.										
12	Period of progress report									
From date	^d 1	^d 3	^m 0	^m 2	^y 2	^y 0	^y 2	^y 2		
To date	^d 0	^d 3	^m 0	^m 8	^y 2	^y 0	^y 2	^y 2		
13	Final progress report									
<input checked="" type="checkbox"/> I have attached a copy of the final progress report.										
14	Sign and date									
Administrator's signature	Signature 									
Signature date	^d 0	^d 3	^m 0	^m 8	^y 2	^y 0	^y 2	^y 2		

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Presenter information

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

Contact name MATTHEW WELDEN

Company name KROLL ADVISORY LTD

Address THE CHANCERY

58 SPRING GARDENS

Post town MANCHESTER

County/Region GREATER MANCHESTER

Postcode M 2 1 E W

Country UNITED KINGDOM

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 or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Final Progress Report to Creditors

03 August 2022

Queens Hotel (Llandudno) Limited (In Administration)

Joint Administrators' Final Progress Report for the period from
13 February 2022 to 03 August 2022 with a summary of the
Administration

Kroll Advisory Ltd
The Chancery
58 Spring Gardens
Manchester
M2 1EW

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1. Introduction

As you are aware Philip Duffy and Sarah Bell were appointed Joint Administrators of the Company on the Appointment Date by the Director of the Company.

Following the Block Transfer Order passed in the High Court of Justice, Manchester District Registry, Chancery Division, No. 000356 of 2021, Robert Armstrong and Andrew Knowles replaced the Former Joint Administrators on 16 June 2021.

This report is the Joint Administrators' final Progress Report and provides Creditors with a final account of the Administration of the Company together with a summary of the Administration as a whole.

The Joint Administrators have also explained the exit route from the Administration and the outcome for each class of Creditor.

You will find other important information in this final Progress Report such as the costs the Joint Administrators have incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

Please also note that an important legal notice about this final Progress Report to Creditors is attached at Appendix 9.

2. Creditor summary

This Progress Report cover the Reporting Period.

Summary of Proposals

The purpose of the 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 that would be likely if the company were to be wound up (without first being in Administration), or
- Realising property in order to make a distribution to one or more secured or preferential creditors.

As detailed in the Joint Administrators' Statement of Proposals and the previous progress reports, the Joint Administrators pursued the second objective, namely achieving a better result for the Company's Creditors as a whole that would be likely if the company were to be wound up (without first being in Administration).

The Joint Administrators believe that the second objective has been achieved, as the Administration facilitated the sale of the Hotel in the Cumulative Period. In turn, this may enable a distribution to the Unsecured Creditors in the subsequent Liquidation.

There were no major amendments to, or deviations from, these Proposals.

A summary of the Proposals is included at Appendix 2. A copy of the Proposals is available via the Website.

Progress to date

The primary work completed during the Reporting Period was in relation to the Company's principal asset, being the Hotel. Please refer to Section 3 of this report for further details.

Outcome for Creditors

The Company shows no charges registered at Companies House and therefore there are no Secured Creditors.

The Company did not employ any staff and therefore there are no Preferential Creditor claims anticipated.

There may be a distribution to the Unsecured Creditors of the Company. However, this will be dependent on the outcome of the investigations into the NPD group.

Please note, this report provides Creditors with a final account of the Administration of the Company together with a summary of the Administration as a whole. The Joint Administrators' previous progress reports and the Statement of Proposals issued to the Company's Creditors are available to view at the Website and paper copies can be provided free of charge by writing to Matthew Welden of this office. Unless otherwise stated, all amounts in this Progress Report and appendices are stated net of VAT.

3. Progress of the Administration

This section provides a final update on the strategy for the Administration and progress made, including a summary of the information provided in previous progress reports.

3.1 Strategy and progress to date

As noted in the Proposals, the Company's principal asset was the Hotel.

3.2 Asset realisations

Realisations during the Cumulative and Reporting Period are set out in the attached Receipts and Payments Account at Appendix 3.

3.2.1 Freehold/Leasehold property

The principal asset of the Company is the Hotel.

As previously advised, the Joint Administrators received a number of offers during the Administration period with an offer ultimately being received to purchase the Hotel with the leases attached. Following the recommendation from the Agents, the Joint Administrators accepted this offer however, the sale became protracted, and the purchaser withdrew its offer.

The Agents subsequently recommended that the Hotel should be placed into an auction. However, prior to the auction date that was set for 3 February 2022 the Joint Administrators received an offer that was at an

acceptable level and, upon the recommendation of the Agents, this offer was accepted. Contracts were exchanged on 2 February 2022 and the sale completed on the 2 March 2022.

The total consideration of £293,800 was paid on the completion date as shown in the Receipts and Payments Account at Appendix 3. Consideration of £270,000 was in respect of the Hotel and £23,800 was in respect of the lodge located on the freehold site. Additionally, the chattel assets held in the Hotel were also sold for consideration of £26,000 which was remitted to the operating company Queens Hotel (Llandudno) Management Limited (in Liquidation).

3.2.2 Prepayments

During the Administration period the Joint Administrators had paid pre-paid ground rent and insurance rent totalling £3,557, following a sale of the Hotel this was re-imbursed by the purchaser.

3.2.3 Intercompany Debtors

Following a full reconciliation of the intercompany position, the total amount owed to the Company from other companies within the NPD group is £161,705.

All of the associated companies are in a formal insolvency process, and it is uncertain whether any of these debts are recoverable.

An update in this regard will be provided in future Liquidation reports.

3.2.4 Director's Loan

The records of the Company show an outstanding balance of £10,000 in respect of an outstanding loan to the former director.

This balance remains due, and the Joint Administrators continue to negotiate with the former director, and these will remain ongoing in the subsequent Liquidation period.

3.2.5 Investigations

The Joint Administrators have a statutory obligation to file a report with BEIS concerning the conduct of the directors of the Company that served in the three-year period prior to the Joint Administrators' appointment. As previously advised, the Joint Administrators have filed their confidential report with the BEIS, the content of this report is confidential.

The Joint Administrators' investigations into the Company affairs remain ongoing. The Joint Administrators cannot, at this stage detail the nature of these investigations as it may hamper any further action that may be required. However, should any of the Company's Creditors have information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, please contact this office.

The Joint Administrators are reviewing the affairs of the Company to ascertain any action which could be taken against third parties to increase recoveries for Creditors. As such, further reports may be submitted to BEIS following these investigations if necessary.

The Joint Administrators have completed the analyses of the Company's bank accounts, to the extent that the required bank statement data could be obtained.

The Joint Administrators have sought Counsel's advice on the merits of the claims from the ongoing investigations and the information gathered to date. The Joint Administrators have now received the first part of Counsel's opinion on certain claims against third parties. The Joint Administrators are assessing this advice with their lawyers and are liaising with Litigation Funders/Insurers to assess these funding options.

Further advice from Counsel is expected in respect of other claims and these will be assessed for merits and funding in due course. As previously advised, the details of the claims remain highly confidential, and the Joint Administrators cannot give exact details of such claims as this may hamper any legal actions.

The impending Joint Liquidators' will continue the investigations into the activities of the Company and the operation of the various investment schemes in the subsequent Liquidation.

3.3 Costs

Payments made in the Cumulative and Reporting Period are set out in the attached Receipts and Payments Account at Appendix 3.

Summaries of the most significant payments during the Administration are provided below:

3.3.1 Agents' fees

The Joint Administrators have incurred and paid agents' fees in respect of the valuation, marketing, and sale of the Hotel totalling £17,050 in the Reporting Period.

Auction costs of £10,680 have also been incurred and paid to Allsop Property in the Reporting Period.

Further details on the Agents' fees paid to date are detailed in the Receipts and Payments Account at Appendix 3.

3.3.2 Solicitors' fees

The Joint Administrators have also incurred solicitors' fees in respect of selling the Hotel, extension of the Administration, fee approval, advice and ongoing investigations and other ad hoc legal advice. Solicitors' fees of £45,100 have been paid to Addleshaw Goddard LLP during the Reporting Period. Further details of the fees are included and attached at Appendix 3.

3.3.3 Irrecoverable VAT

As the Company is not registered for VAT, the Joint Administrators are unable to reclaim VAT paid on costs. Therefore, the Joint Administrators have incurred costs in relation to irrecoverable VAT during the Administration period as shown at Appendix 3.

3.4 Fees and expenses

The Joint Administrators have detailed the costs incurred during the Cumulative Period, whether paid or unpaid, in the schedule of expenses attached at Appendix 4.

Summaries of the most significant expenses which have been incurred in the period but have not been paid are provided below:

Significant expenses incurred but not paid

Joint Administrators' time costs	£13,216	Total time costs incurred in the Reporting Period is £13,216 see Appendix 5. No fees have been paid during the Cumulative Period. See section 6 for further details in relation to the Joint Administrators' fees.
Insurance of Assets	£89,003	Insolvency Risk Services have incurred fees in relation to the insurance of the Hotel during the Cumulative Period.
Insolvency Risk Services		
Legal fees	£2,615	Addleshaw Goddard have incurred legal fees in providing advice on the sale of the Hotel, the status of the leaseholders, applications to Court and other adhoc legal advice. To date, the sum of £45,100 has been paid and the sum of £2,615 remains outstanding on the balance due.
Addleshaw Goddard		
Total	£104,834	

4. Outcome for Creditors

4.1 Secured Creditors

As previously detailed, there are no charges registered at Companies House and therefore it is considered that there are no Secured Creditors.

4.2 Preferential Creditors

The Company did not employ any staff and therefore there are no Preferential Creditors.

4.3 Unsecured Creditors

According to the Joint Administrators' Estimated Financial Position included in the Proposals the Company's Unsecured Creditors, including claims for investors, total £6,012,000.

To date, no claims have been received from trade creditors.

Claims have been received from investors totalling £2,201,000. The Joint Administrators have not yet received claims from all investors listed on the Company's records and the Joint Administrators' investigations into the investment scheme are ongoing.

It is currently uncertain as to whether there will be a distribution to the Unsecured Creditors following the realisation of the Hotel and the recovery action in respect of the ongoing investigations. The quantum and timing of any such distribution, if available, is subject to the costs of the Administration and subsequent Liquidation. An update in this regard will be provided in the subsequent Liquidation.

4.3 Prescribed Part

The Company is not subject to any floating charges and therefore, the Prescribed Part will not apply in this instance.

5. Other matters

5.1 Creditors' Committee

Creditors may recall that as part of the Proposal's Creditors were invited to form a Creditors' Committee.

The role of a Creditors' Committee is amongst other things (1) to represent the Unsecured Creditors (2) agree the Joint Administrators remuneration and (3) assist the Administrators in discharging the Joint Administrators functions.

The Joint Administrators received three nominations for committee members and a committee was duly established on 2 March 2020 consisting of three members.

The Creditors' Committee will continue to be in place in the Liquidation.

5.2 Joint Administrators' Receipts and Payments account

A detailed Receipts and Payments Account for the Reporting Period is shown in Appendix 3 together with a Cumulative Account for the whole of the Administration.

The sum of £216,539 in the estate bank account will be remitted to the Liquidation estate.

5.3 Creditors' rights

Further information regarding the remuneration and disbursements of the Joint Administrators, including Creditors' rights to challenge such costs is provided at Appendix 7.

6. Fees, Expenses and Pre-Administration Costs

6.1 Fees and expenses

6.1.1 Time costs

As previously advised, the Joint Administrators sought approval for their remuneration for the Current Administration from the Creditors' Committee. Approval was not obtained and therefore the Joint Administrators sought approval from the Secured Creditor and investors.

An initial one hour directions hearing took place on 15 June 2021 and, in line with the Joint Administrators' request, the Court adjourned the applications so that they can be considered on an efficient basis once more information regarding the outcome of the Administration is known. The hearing for these applications have now be listed to be held on 10 October 2022 at 2.30pm. That hearing will consider whether the investigations work that the Joint Administrators have carried out should be considered separately to the case specific work in each Administration, and whether the Court should hear the fee approval application made in each Administration together or whether each company should be considered separately.

As Creditors are aware there are extensive investigations being carried out across the whole of the NPD Group, the adjournment will provide sufficient time to not only allow for assets to be realised but also for litigation claims against the NPD Group's advisors to be progressed.

The Court ordered that the costs of the application rank as an expense of the Administration. It also ordered that the Joint Administrators will be discharged from liability as Administrators in the Administration with effect from 28 days after the date on which their final progress report is filed at Companies House.

The Joint Administrators will provide further updates as and when this matter has progressed. Under the order made by the Court, Creditors are entitled to request details from the Joint Administrators of future hearings relating to this matter (noting that at present no hearings are scheduled to be heard before Spring 2022).

Joinder application

At the hearing on 15 June 2021 some 50+ investors, represented by Alastair Dobbie of Shortlands, made an application to be joined as parties to the Joint Administrators' fee approval applications. Following adverse judicial comment from Chief Insolvency and Companies Court Judge Briggs, this application was withdrawn and a costs order was made against Shortlands' clients in favour of the Joint Administrators. The purpose of the Shortlands application had been for one or a small number of investors to be appointed as representatives of all investors or categories of investors across the NPD group and for their costs, in particular the legal costs of Shortlands, to be paid as an expense of the respective Administrations, in priority to the claims of Creditors.

During the course of the hearing counsel instructed by Shortlands revised the application so that a representation order was sought in respect only of the (then) 52 clients he represented. He confirmed however that his clients only wished to proceed with the application on the condition that their legal costs were paid as an expense of the Administration.

The judge found that the Shortlands application was misconceived and without legal basis. He considered that the condition that Shortlands' clients' costs should be paid as an expense of the Administrations was

objectionable to the system of class remedy in insolvency proceedings as it would allow those investors to jump ahead of other creditors in the order of priority to the extent of an unknown amount of costs. The Joint Administrators have instructed their solicitors to pursue payment of the Joint Administrators' costs in dealing with Shortlands' application as they would otherwise fall to be paid from the Administration estates.

Time has been charged in six minute units. Details of the time charged for the Reporting Period are attached at Appendix 5.

Time costs incurred in the Reporting Period total £13,216, which represents 37 hours at an average hourly rate of £357. Specialist investigation time incurred in the Reporting Period total £549, which represents 0.9 hours at an average hourly rate of £610.

Time costs incurred in the Cumulative Period total £127,409, which represents 386 hours at an average hourly rate of £330. Specialist investigation time incurred in the Cumulative Period total £114,769, which represents 277 hours at an average hourly rate of £414.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

6.1.2 Fees

No fees have been drawn in the Cumulative or Reporting Period.

Any future fees will be drawn in the subsequent Liquidation.

6.1.3 Expenses

Expenses are any payments from the Administration which are neither an Administrator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are payments which are first met by the Administrator and then reimbursed to the Administrator from the Administration.

Expenses are divided into those that do not need approval before they are charged to the Administration (Category 1) and those that do (Category 2).

Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the Administrator.

Category 2 expense are payments to associates or which have an element of shared costs and require approval from Creditors in the same manner as the Administrator's remuneration, whether paid directly from the estate or as a disbursement.

The Joint Administrators provided in the Proposals report to creditors an estimate of expenses for the Administration, totalling £138,480. This was for information purposes only and could possibly change over the course of the Administration.

Appendix 4 details the final update of the expenses estimate.

Appendix 4 also details the expenses incurred and paid for the Reporting Period and the whole of the Administration.

In the Reporting Period, Category 1 expenses of £55,780 were incurred and paid. In the same period no Category 2 expenses have been incurred or paid.

For the whole period of the Administration, Category 1 expenses incurred totalled £167,798 which will be paid in the subsequent Liquidation. In the same period Category 2 expenses of £6 have been incurred and will be paid in the subsequent Liquidation.

6.1.4 Additional information

Also attached at Appendix 6 is a narrative summary of the work carried out to assist Creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to Creditors.

Details of how to obtain further information relating to the fees and expenses of the Joint Administrators is set out in Appendix 7.

6.2 Pre-Administration costs

Pre-Administration costs are fees, charges 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 it doing so.

Details of the pre-Administration costs are provided below, along with the pre-Administration legal costs due to DLA in respect of advice received in placing the Company into Administration and approval of these costs are being sought from Court.

Pre-Administration costs	Paid (£)	Unpaid (£)	Total (£)
Kroll Advisory Ltd fees	0.00	£4,890	£4,890
DLA	0.00	£650	£650
Total	0.00	£5,540	£5,540

7. Conclusion of the Administration

The Joint Administrators have now concluded the Administration. This is the Joint Administrators' final report on the Administration and no further reports will be issued.

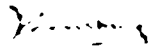
The Joint Administrators have filed a copy of this final Progress Report with the Registrar of Companies, together with the requisite notices to place the Company into Creditors' Voluntary Liquidation.

The Joint Administrators will cease to act when these documents are registered by the Registrar of Companies and on the same date will be discharged of liability in respect of any actions as Joint Administrators.

The Company's remaining assets will be transferred to the Liquidation estate. There are a number of further costs anticipated to close (an estimate is provided in Appendix 4). Funds will subsequently be used to make distributions to the Unsecured Creditors where available.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against the Joint Administrators.

If you require further information or assistance, please do not hesitate to contact Matthew Welden of this office.



Robert Armstrong
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Robert Armstrong and Andrew Knowles, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1 – Statutory information

Company information

Company and trading name	Queens Hotel (Llandudno) Limited	
Date of incorporation	6 August 2015	
Registered Number	09720517	
Company Director(s)	Iain Shelton was appointed by the Interim Managers of NPD in their capacity as shareholders of the Company. Gavin Woodhouse (resigned 9 July 2019)	
Company Secretary	N/A	
Shareholders	Northern Powerhouse Developments Limited	
Trading address	Clonmel St The Promenade Llandudno LL30 2LE	
Registered office	Current: c/o Kroll Advisory Ltd The Chancery 58 Spring Gardens Manchester M2 1EW	Former: Northern Pd Unit D2 Elland Riorges Link Lowfields Business Park Elland HX5 9DG
Any Other trading names	MBI Queens Hotel	

Administration information

Administration Appointment	The Administration appointment granted in High Court of Justice, Business and Property Courts in Manchester 005423 of 2019
Appointor	Director
Date of Appointment	13 August 2019
Joint Administrators	Robert Armstrong and Andrew Knowles
Original purpose	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)
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1
Current Administration expiry date	12 August 2022
Prescribed part	The Prescribed Part is not applicable in this case
Application of EC Regulations	These proceedings have been defined as the Main Proceedings under Article 3 of the EC Regulations

Appendix 2 – Approved Proposals

The following Joint Administrators' Proposals were deemed approved by the creditors on 1 November 2019 being the expiry of the period in which a decision can be requisitioned by creditors.

- That the Joint Administrators continue the Administrations 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, 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 Robert Armstrong and Andrew Knowles of Kroll Advisory 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

Appendix 3 – Receipts and Payments account

Queens Hotel (Llandudno) Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 13/02/2022 To 03/08/2022 £	From 13/08/2019 To 03/08/2022 £
SECURED ASSETS		
Gross bank interest - fixed account	0.12	0.12
	0.12	0.12
ASSET REALISATIONS		
Bank Interest Gross	4.71	4.84
Cash held in Client Account	NIL	200.00
Contribution to Search Fees	316.74	316.74
Freehold Land & Property (Hotel)	270,000.00	270,000.00
Freehold Land & Property (Lodge)	23,800.00	23,800.00
Reimbursement of Ground Rent	7.80	7.80
Reimbursement of Insurance Rent	3,549.33	3,549.33
	297,678.58	297,878.71
COST OF REALISATIONS		
Agents/Valuers Fees	17,050.00	17,050.00
Auctioneer's Fees	10,680.00	10,680.00
Irrecoverable VAT	6,910.00	6,910.00
Legal Disbursements	1,599.76	1,599.76
Legal Fees	45,100.00	45,100.00
	(81,339.76)	(81,339.76)
	216,338.94	216,539.07
REPRESENTED BY		
Fixed bank account		5,860.12
Floating/main current account		210,678.95
		216,539.07

Appendix 4 – Analysis of Expenses Incurred

Joint Administrators' Expenses: comparison with estimate

Expenses	Original expenses estimate £	Actual expenses incurred in the Reporting Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Hewlett Swanson	50,000	-	3,121	
Addleshaw Goddard	-	45,100	47,715	Addleshaws were appointed to assist with the applications to Court in respect of fee approvals, sale of the property and other adhoc legal advice.
Sanderson Weatherall	46,000	-	17,050	
Allsops Property	-	10,680	10,680	
Property Holding Costs	30,000	TBC	TBC	Holding costs will be paid following the sale of the Hotel
Insolvency Risk Services	10,000	-	89,003	Originally anticipated that the Hotel would be sold earlier
Courts Advertising Ltd	255	-	-	
Bonding	225	-	225	
Bank Charges	2,000	-	-	
Total Data Management Ltd	-	-	4	As Incurred
Kroll	-	-	6	As Incurred
TOTAL	138,480	55,780	167,804	

Notes

The above costs exclude VAT

Previous Progress Reports have informed creditors of an increase in the original estimate.

Joint Administrators' Expenses: Category 1 and Category 2

Category 1 Expenses			Current period		Cumulative period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Hewlett Swanson	Legal fees	Time Costs	-	-	3,121	-
Addleshaw Goddard	Legal fees	Time Costs	45,100	45,100	47,715	45,100
Sanderson Weatherall	Agents fees	% of realisations	-	-	17,050	17,050
Allsops Property	Auctioneers	% of realisations	10,680	10,680	10,680	10,680
Insolvency Risk Service	Insurance	As incurred	-	-	89,003	-
Courts Advertising	Statutory Advertising	Fixed fee	-	-	-	-
Bonding	Statutory Bond Premium	Fixed fee	-	-	225	-
Total Data Management Ltd	Storage	As incurred	-	-	4	-
Total			55,780	55,780	167,798	72,830

Category 2 Expenses			Current period		Cumulative period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Kroll	Site Parking	Variable	-	-	6	-
Total			0	0	6	0

Notes

The above costs exclude VAT

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.

Kroll Advisory Ltd being the employer of the Joint Administrators and the staff working on the Administration, is considered an associate of the Administrators.

It is considered that these expenses are fair and reasonable and proportionate to the Administration

Appendix 5 – Analysis of time charged

Joint Administrators' Fees

Refer to the table overleaf for a detailed breakdown on the Joint Administrators' time and cost summary in accordance with SIP 9

107696 QUEENS HOTEL (LLANDUDNO) LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 13/02/2022 to 03/08/2022

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Cashiering & accounting	0.00	0.60	0.60	3.60	0.00	4.80	1,270.00	264.58
Insurance	0.00	0.25	0.00	0.00	0.00	0.25	97.50	390.00
Statutory matters (Meetings & Reports & Notices)	0.00	4.25	1.20	3.90	0.00	9.35	2,974.50	318.13
Strategy planning & control (incl engagement financial control)	0.00	0.00	0.00	5.40	0.00	5.40	1,026.00	190.00
Tax Compliance / Planning	0.00	0.10	0.00	0.20	0.00	0.30	77.00	256.67
Creditors								
Creditors committee	0.00	0.00	0.00	0.10	0.00	0.10	28.00	280.00
Dealings with creditors and employees	0.00	0.50	0.00	2.20	0.00	2.70	1,021.00	378.15
Realisation of Assets								
Freehold and Leasehold Property	0.00	4.00	8.10	2.00	0.00	14.10	6,721.50	476.70
Total Hours:	0.00	9.70	9.90	17.40	0.00	37.00		357.18
Total Fees Claimed: £	0.00	3,855.00	5,482.50	3,878.00	0.00		13,215.50	

107696 QUEENS HOTEL (LLANDUDNO) LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 13/02/2022 to 03/08/2022

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
	0.00	0.90	0.00	0.00	0.00	0.90	549.00	610.00
Total Hours:	0.00	0.90	0.00	0.00	0.00	0.90		610.00
Total Fees Claimed: £	0.00	549.00	0.00	0.00	0.00		549.00	

107696 QUEENS HOTEL (LLANDUDNO) LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 13/08/2019 to 03/08/2022

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.50	2.70	0.00	7.80	0.00	11.00	2,815.75	255.98
Cashiering & accounting	0.00	0.80	1.80	8.90	0.00	11.50	2,820.50	245.26
IPS set up & maintenance	0.00	0.00	0.00	1.65	0.00	1.65	222.50	134.85
Insurance	0.00	4.20	0.00	0.90	0.00	5.10	1,842.75	361.32
Statutory matters (Meetings & Reports & Notices)	1.00	14.00	12.85	52.25	0.00	80.10	22,211.25	277.29
Strategy planning & control (incl engagement financial control)	2.30	1.00	6.50	35.35	0.00	45.15	12,363.75	273.84
Tax Compliance / Planning	0.00	0.20	0.00	2.35	0.00	2.55	544.50	213.53
Creditors								
Creditors committee	0.00	0.00	7.70	21.15	0.00	28.85	7,734.00	268.08
Dealings with creditors and employees	5.00	1.85	13.50	76.20	0.00	96.55	29,204.50	302.48
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	1.00	0.00	1.00	250.00	250.00
Secured Creditors	0.00	0.00	1.80	0.00	0.00	1.80	664.00	368.89
Investigations								
CDDA & reports & Communication	0.00	0.00	0.00	0.70	0.00	0.70	157.00	224.29
Financial review and investigations (S238/239 etc)	0.00	0.00	2.25	0.00	0.00	2.25	697.50	310.00
Realisation of Assets								
Book debts	0.00	0.00	0.00	0.45	0.00	0.45	85.50	190.00
Freehold and Leasehold Property	0.00	13.75	58.10	11.60	0.00	83.45	41,693.50	499.62
Sale of business	0.00	0.00	6.10	6.55	0.00	12.65	3,714.50	293.64
Trading								
Trading - Accounting	0.00	1.00	0.00	0.35	0.00	1.35	387.50	287.04
Total Hours:	8.80	39.50	110.60	227.20	0.00	386.10		329.99
Total Fees Claimed: £	5,664.00	15,242.25	57,393.50	49,109.25	0.00		127,409.00	

107696 QUEENS HOTEL (LLANDUDNO) LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 13/08/2019 to 03/08/2022

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
	0.00	148.30	14.55	2.35	112.25	277.45	114,768.65	413.66
Total Hours:	0.00	148.30	14.55	2.35	112.25	277.45		413.66
Total Fees Claimed: £	0.00	80,384.62	5,116.50	643.78	28,623.75		114,768.65	

Appendix 6 – Narrative of work carried out for the Reporting Period

The key areas of work have been:

SIP 9 narrative for the Reporting Period

Administration and planning	<ul style="list-style-type: none">• Monitoring and reviewing the Administration strategy;• Briefing staff on the Administration strategy and matters in relation to workstreams;• Regular case management and reviewing of process including regular team update meetings and calls;• Meeting with management to review and update strategy and monitor progress;• Reviewing and authorising junior staff correspondence and other work;• Dealing with queries arising during the appointment;• Reviewing matters affecting the outcome of the Administration;• Allocating and managing staff/ case resourcing and budgeting exercises and reviews;• Liaising with legal advisors regarding various instructions, including agreeing content of engagement letters; and• Complying with internal filing and information recording practices, including documenting strategy decisions.
Creditors	<ul style="list-style-type: none">• Responding to enquiries from Creditors regarding the Administration and submission of their claims;• Drafting progress statutory progress reports; and• Correspondence with the Creditors Committee.
Statutory and compliance	<ul style="list-style-type: none">• Ensuring compliance with all statutory obligations within the relevant timescales;• Uploading information to the Creditors' /Website;• Drafting and publishing progress reports;• Running decision procedures;• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9;• Monitoring the fees estimate; and• Monitoring the expenses estimate.
Cashiering	<ul style="list-style-type: none">• Preparing statutory receipts and payments accounts; and• Renewing bonding and complying with statutory requirements.
Asset realisations	<ul style="list-style-type: none">• Liaising with agents regarding the sale of assets;• Liaising with third parties regarding costs incurred;• Reviewing costs incurred to ensure recorded accurately; and• Arranging payments to agents and solicitors in a timely manner.

Appendix 7 – Statement of Creditors' rights

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

Section or paragraph numbers refer to Insolvency Act 1986

If you require a copy of any relevant rule or section, please contact Matthew Welden at Matthew.Welden@kroll.com.

Information for Creditors on remuneration and expenses of Administrators

Information regarding the fees and expenses of Administrators, including details of the expenses policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "Administration: A Creditor's Guide to Insolvency Practitioner Fees". This can be viewed and downloaded from the website at:

<https://www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets>

Should you require a copy, please contact this office.

Creditors' requests for further information

If you would like to request more information about the Joint Administrators' remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from Unsecured Creditors must be made with the concurrence of at least 5% in value of Unsecured Creditors (including, the Unsecured Creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications are by Unsecured Creditors (including the Unsecured Creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Matthew Welden at this office.

Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents	Sanderson Weatherall, independent agents who were instructed to value and sell the assets of the Company
the Appointment Date	13 August 2019, being the date of appointment of the Joint Administrators
Category 1 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to persons providing the service to which the expense relates and who are not an associate of the Administrator. These expenses can be paid without prior approval
Category 2 Expenses	The Joint Administrators' expenses, in dealing with the Administration, to associates or where there is an element of shared costs. Such expenses require approval by creditors before payment
the Company	Queens Hotel (Llandudno) Limited (In Administration) (Company Number: 09720517)
Court	High Court of Justice, Business and Property Courts in Manchester
the Cumulative Period	The period from the date of appointment to the date of the report
the Director	Iain Shelton is currently the sole director of the Company. Gavin Woodhouse was removed as Director of the Company and Iain Shelton was appointed by the Interim Managers of NPD in their capacity as shareholder of the Company.
DLA	DLA Piper, the Joint Administrators' legal advisors
EC Regulation	EC Regulation on Insolvency Proceedings 2000
the Former Joint Administrators	Philip Duffy and Sarah Bell of Kroll
the Hotel/Property	The Queens Hotel, Clonmel St, The Promenade, Llandudno, LL30 2LE
Interim Managers	Philip Duffy and Sarah Bell
the Joint Administrators	Robert Armstrong and Andrew Knowles of Kroll
Kroll	Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW

NPD	Northern Powerhouse Developments Limited (In Administration) (Company Number: 09940469)
Preferential Creditor/s	A creditor with a claim that ranks in priority to other unsecured creditors, to floating charge holders and the prescribed part. Preferential debts are either 'ordinary', such as certain employee claims, or 'secondary', such as HMRC's claims for VAT and PAYE income tax, which will rank for payment after the ordinary preferential claims are paid in full
the 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 Unsecured Creditors
the Proposals	The Joint Administrators' Statement of Proposals dated 7 October 2019
the Reporting Period	The period from the date of the last progress report to the date of the report, i.e. the period from 13 February 2022 to 3 August 2022
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 expenses
the Solicitors	Addleshaw Goddard LLP and Hewlett Swanson, instructed to provide legal advice with respect to the sale of the Hotel and other ad hoc matters
Website	Available at: https://micro.kroll.com/ukrestructuring#

Appendix 9 – Notice about this report

This report has been prepared by Robert Armstrong and Andrew Knowles, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of any financial interest in the Company or any other company in the same group.

Any estimated outcomes for Creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for Creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Robert Armstrong and Andrew Knowles are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Kroll Advisory Ltd does not assume any responsibility and will not accept any liability to any person in respect of this Progress Report or the conduct of the Administration.