

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A9048UC8

A06

04/03/2020

#188

COMPANIES HOUSE

1 Company details

Company number 09760520
Company name in full Caer Rhun Hotel Management Limited

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

2 Administrator's name

Full forename(s) Sarah
Surname Bell

3 Administrator's address

Building name/number The Chancery
Street 58 Spring Gardens
Post town Manchester
County/Region Greater Manchester
Postcode M21EW
Country United Kingdom

4 Administrator's name ①

Full forename(s) Philip
Surname Duffy

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

5 Administrator's address ②

Building name/number The Chancery
Street 58 Spring Gardens
Post town Manchester
County/Region Greater Manchester
Postcode M21EW
Country United Kingdom

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

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	0	d	8	m	0	m	8	y	2	y	0	y	1	y	9
To date	d	0	d	7	m	0	m	2	y	2	y	0	y	2	y	0

7 Progress report

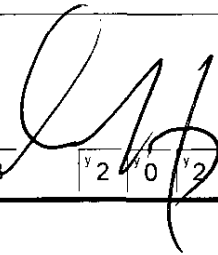
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	0	d	3	m	0	m	3	y	2	y	0	y	2	y	0
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

Progress Report to Creditors

3 March 2020

**Caer Rhun Hall Hotel Limited and
Caer Rhun Hotel Management
Limited**

(In Administration)

*Joint Administrators' Progress Report for the period from 8 August 2019 to
7 February 2020*

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

Contents

1	Introduction	2
2	Creditor summary	3
3	Progress of the Administration	4
4	Outcome for Creditors	8
5	Other matters	10
6	Joint Administrators' fees and expenses and pre-Administration costs	11
7	Future strategy	13

Appendices

Appendix 1 – Statutory Information	15
Appendix 2 – Approved Proposals	17
Appendix 3 – Receipts and Payments account	18
Appendix 4 – Schedule of Expenses	19
Appendix 5 – Analysis of time charged and expenses incurred	20
Appendix 6 – Narrative of work carried out for the period to 7 February 2020	21
Appendix 7 – Statement of Creditors' rights	26
Appendix 8 – Definitions	27
Appendix 9 – Notice about this report	28
Appendix 10 – Proof of debt form	29

1. Introduction

The Joint Administrators were appointed on 8 August 2019.

This Progress Report provides an update on the Administration of the Companies.

The Joint Administrators have also explained their future strategy for the Administrations and how likely it is that they will be able to pay each class of creditor.

You will find other important information in this 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 Progress Report to Creditors is attached at Appendix 9.

2. Creditor summary

This Progress Report covers the Reporting Period

Summary of Proposals

- 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

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.

Although the freehold of the Hotel is held in CRHH, CR holds the other assets comprising the furniture, equipment and stock and also debtors. As the Hotel has now ceased to trade the assets within the Hotel will be made available to any purchaser of the property or should the purchaser not require these assets these will be sold piecemeal.

As previously advised, the Joint Administrators' Proposals for achieving the purpose of the Administration, namely achieving a better result for the Company's Creditors as a whole than would be likely if the Company were wound up and realising property in order to make a distribution to one or more Secured or Preferential Creditors, were approved by Creditors using deemed consent.

Progress to date

The Joint Administrators began trading the Hotel on the Appointment Date with a view to achieving a sale of the business as a going concern.

Due to the financial position of the Hotel and based on advice from Assured, the Joint Administrators closed the Hotel on 13 January 2020. Further information regarding the closure of the hotel and the strategy of the Joint Administrators is included in section 3 of this report.

In the trading period (8 August 2019 to 13 January 2020) sales total £205,395 and trading costs total £303,173 resulting in overall trading losses to date of approximately £100,000. It is estimated there are further trading costs that have not yet been paid of approximately £144,543 which have been incurred but not yet paid in the period along with further debtor receipts of £43,543, therefore the estimated trading losses for the trading period are anticipated to be approximately £201,000.

It is noted that the Joint Administrators have recently issued an investor update where the trading losses were estimated to be in the region of £245,000 to the 31 March 2020. The reduction in the estimated trading losses has been driven by further debtor and creditor reconciliations conducted by Assured.

Asset realisations totalling £78,315 have been received in the Reporting Period in respect of debtors' cash at bank and bank interest.

Investigations into the Companies are ongoing and form part of the detailed investigations being carried out by the Joint Administrators of NPD and all of the associated companies.

Outcome for Creditors

In consideration for the monies advanced under the loan facility agreement CRHH granted a debenture to NWAF on 8 November 2017 which confers fixed and floating charges over all of the assets of CRHH.

In consideration of additional monies advanced under the loan facility agreement CRHH granted a second debenture on 8 November 2017 which confers fixed and floating charges over all of the assets of CRHH.

Based on information held at the Appointment Date, the indebtedness to NWAF is approximately £1.1m and is subject to accruing interest and charges. However, the Joint Administrators are aware that three other companies within the NPD group have also granted charges to NWAF (Fourcroft Hotel (Tenby) Limited, Carmarthen Bay Hotel Limited and Atlantic Bay Hotel (Woolacombe) Limited – all in Administration).

CR granted a debenture on 8 November 2017 which confers fixed and floating charges over all of the assets of the CR in respect of a guarantee over the loan facility provided to CRHH.

The Joint Administrators sought advice from their lawyers who have reviewed the NWAF security and confirmed that the security is valid.

Any available distributions to NWAF will be subject to the principle of marshalling across the estates within the NPD group in which it holds security.

CRHH does not employ any staff and therefore there will be no Preferential Creditor claims.

Following the closure of the Hotel on 13 January 2020 all of the CR employees were made redundant. All staff wages were paid up until the closure of the Hotel in the trading period by the Joint Administrators. Holiday pay accrued in the trading period and not taken by employees will be paid as an expense of the Administration. Holiday pay accrued and not taken prior to the appointment date will rank as preferential claims in the Administration, the majority of which is likely to be subrogated to the DBEIS following payment to the employees by the RPS. Any distribution to the Unsecured Creditors of the Companies will be dependent on the realisations achieved from any sale of the Hotel.

Please note, this Progress Report provides Creditors with an account of the progress of the Administration of the Company in the period. The Joint Administrators' Statement of Proposals issued to the Company's Creditors are available to view at <https://micro.duffandpHELPS.com/ukrestructuring> and paper copies can be provided free of charge by writing to Heather Barnes. Unless otherwise stated, all amounts in this Progress Report and appendices are stated net of VAT.

3. Progress of the Administration

This section provides an update on the Joint Administrators' strategy for the Administration and progress to date.

3.1 Strategy and progress to date

NPD operated numerous investment schemes where investors were offered the opportunity to purchase rooms in a number of hotels which they operated.

Following the Interim Managers' appointment over NPD, a full review of each of the investment schemes and the Hotels was carried out by the Interim Managers and their legal advisors.

The Joint Administrators have identified 80 investments in CRHH of which 57 are registered leases, and the remaining 23 investors hold agreements for leases only.

Following the appointment date, the Joint Administrators continued to trade the Hotel whilst all options were reviewed.

The freehold property is held in CRHH and all other assets and the trading of the Hotel are operated by CR.

The Agents advised that the value achieved through a sale of the business as a going concern would be significantly higher than that achieved should the Hotel be closed.

In the initial months of trading the Hotel was making substantial trading losses and was forecast to be loss making in to 2020. The projected losses were anticipated to reduce the overall realisations for the Companies and therefore any funds that would be available to distribute to creditors.

An offer was received to purchase the Hotel which the Agents recommended acceptance of. The offer was made on a vacant possession basis.

The Joint Administrators made an application to the Court under the Act on 4 December 2019 for an order to allow the sale of the Hotel whilst preserving all creditors interests in the net proceeds of the sale. Certain leaseholders and the Secured Creditor made representations at the hearing of the application at the High Court of Justice.

At the hearing, the Court declined to allow the sale of the Hotel.

The Joint Administrators have subsequently entered into dialogue with the leaseholders and/or their legal representatives as appropriate in order to reach an agreement regarding a sale of the Hotel. The Joint Administrators are also in dialogue with the Creditors' Committee in CR to discuss the strategy going forward.

Whilst this process was ongoing, due to the high level of trading losses and due to the existence of substantial health and safety issues that could not be remedied without significant capital expenditure, the Joint Administrators closed the Hotel on 13 January 2020. This decision was seconded by Assured.

All staff were made redundant on 13 January 2020. The existing caretaker has remained on site and will reside on the premises for the foreseeable future and the Joint Administrators are liaising with the insurer to ensure that all insurance obligations are met during the period in which the Hotel and grounds remain in the Joint Administrators' control.

Investigations into the Company are ongoing and form part of the detailed investigations being carried out by the Joint Administrators of NPD and all of the associated companies.

3.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account at Appendix 3.

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

3.2.1 Trading period

As detailed in section 2, the Joint Administrators traded the Hotel from the appointment date to 13 January with a view to achieving a sale of the Hotel as a going concern.

In the trading period (8 August 2019 to 13 January 2020) sales total £205,395 and trading costs total £303,173 resulting in overall trading losses to date of approximately £100,000. It is estimated there are further trading costs that have not yet been paid of approximately £144,543 which have been incurred but not yet paid in the period along with further debtor receipts of £43,543, therefore the estimated trading

losses for the trading period are anticipated to be approximately £201,000

CRHH-Progress

3.2.1 Freehold property

As detailed above, the Joint Administrators initially marketed the Hotel for sale as a going concern.

An estimated to realise value has not been disclosed in order not to prejudice any future marketing and sale negotiations.

Following the Court hearing and the formation of a creditors' committee, further details of which are included in section 5 of this report, the Joint Administrators are liaising with the creditors' committee and the leaseholders to reach an agreement regarding any sale of the Hotel.

3.2.2 Inter Company debt

The Proposals provided a summary of debts due to CRHH totaling £3,066,618 from associated companies in the NPD group.

As part of the Joint Administrators detailed investigations, a full reconciliation of the inter company position has been completed. The balance due to CRHH is £3,042,000.

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

CR

3.2.3 Debtors

The Joint Administrators Proposals stated that CR's books and records showed outstanding debts due to be £36,000 as at the date of the Joint Administrators' appointment. Following further analysis of these records the debtor ledger total £27,297.

The Joint Administrators have contacted these debtors to pursue the outstanding balances.

To date, £19,489 has been realised in respect of debtor balances. The Joint Administrators and Assured will continue to pursue the remaining balances.

3.2.4 Cash at bank

As at 16 August 2019 the Company held funds of £74,170 in the NatWest account, these funds were subsequently transferred to the Administration bank account.

Following a reconciliation of the funds transferred, the sum of £24,031 is in respect of cash at bank as at the Appointment Date.

The balance of £31,237 consisted of £18,902 in respect of post appointment sales and £31,237 cash in transit as shown in the receipts & payments account attached at appendix 3.

No further realisations are anticipated in respect of cash at bank.

3.2.5 Inter Company debt

As part of the Joint Administrators detailed investigations, a full reconciliation of the intercompany position has been completed. The balance due to CRHH is £34,000.

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

3.2.6 Stock

Following the closure of the Hotel, the remaining wet stock was sold to a connected hotel LBHS Management Limited (trading as Llandudno Bay Hotel) for the sum of £3,540.

3.2.7 Other assets

The balance sheet taken from the management accounts at 31 March 2018 shows plant & machinery, office equipment, furniture and fixtures and stock.

It is anticipated that these will form part of a sale of the Hotel, however, should such a sale not be achieved, these assets will be sold on a break up basis.

Bank interest of £18 has been received in the Reporting Period.

3.2.8 Investigations

The Joint Administrators have a statutory obligation to file a report with DBEIS concerning the conduct of all directors of the Companies that served in the three years prior to the Joint Administrators' appointment. The Joint Administrators have filed their confidential report with DBEIS regarding the conduct of the Directors of the Companies. The content of this report is confidential and has been submitted to the Insolvency Practitioners Compliance Unit.

The Joint Administrators reviewed the affairs of the Companies to find out if there were any actions which could be taken against third parties to increase recoveries for Creditors. An initial assessment was made which involved collecting and analysing the books and records of the Company including the bank accounts, management accounts, Directors' loan accounts and considering the Directors' responses to questionnaires.

The Joint Administrators' investigations into the Companies' affairs are currently 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 Companies' Creditors have information concerning the Companies' affairs that they would like to bring to the Joint Administrators' attention, please contact this office.

Investigations into NPD and all of the associated companies remain ongoing and further reports may be submitted to DBEIS following these investigations if necessary.

3.3 Costs

Payments made in the 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 Agent's fees

The Joint Administrators have incurred agent's fees in respect of the valuation and marketing of the hotel; further details of these fees are included overleaf.

3.3.2 Solicitor's fees

The Joint Administrators have also incurred solicitor's fees in respect of the advising on the initial appointment, court applications, advising on the investment schemes and ongoing investigations and other ad hoc legal fees; further details of these fees are included overleaf.

3.4 Schedule of expenses

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

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

CRHH

Significant expenses incurred but not paid		
Legal fees	£52,231	Hewlett Swanson have incurred legal fees in dealing with court applications in respect of the sale of the Hotel and legal advice in respect of investigations into the Company and the investment scheme.
Hewlett Swanson		
Legal fees	£38,791	Addleshaw have incurred legal fees of in dealing with legal advice in respect of investigations into the Company and the investment scheme and other ad hoc legal advice.
Addleshaw Goddard		
Agents fees	£41,430	Sanderson Weatherall have incurred agents fees in dealing with the valuation and marketing of the Hotel.
Sanderson Weatherall		

CR

Significant expenses incurred but not paid		
Legal fees	£45,033	Hewlett Swanson have incurred legal fees of in dealing with court applications in respect of the sale of the Hotel and legal advice in respect of investigations into the Company and the investment scheme.
Hewlett Swanson		
Legal fees	£532	Addleshaw have incurred legal fees of £532 in dealing with legal advice in respect of investigations into the Company and the investment scheme and other ad hoc legal advice.
Addleshaw Goddard		

4. Outcome for Creditors

4.1 Secured Creditors

In consideration for the monies advanced under the loan facility agreement CRHH granted a debenture to NAAF on 8 November 2017, which confers fixed and floating charges over all of the assets of CRHH.

In consideration of additional monies advanced under the loan facility agreement CRHH granted a second debenture to NAAF on 8 November 2017, which confers fixed and floating charges over all of the assets of CRHH.

CR granted a debenture to NWAF on 8 November 2017, which confers fixed and floating charges over all of the assets of the CR in respect of a guarantee over the loan facility provided to CRHH.

Based on information held at the Appointment Date, the indebtedness to NWAF is approximately £1.1m subject to accruing interest and charges. However, the Joint Administrators are aware that three other companies within the NPD group have also granted charges to NWAF (Fourcroft Hotel (Tenby) Limited, Carmarthen Bay Hotel Limited and Atlantic Bay Hotel (Woolacombe) Limited – all in Administration).

The Joint Administrators sought advice from their lawyers who have reviewed the NWAF security and have confirmed that the security is valid.

Any available distributions to NWAF will be subject to the principle of marshalling across the estates within the NPD group in which it holds security.

At this stage it is uncertain whether there will be sufficient realisations to repay NWAF following a sale of the Hotel. This is dependent on confirmation of the total balance due from CRHH and any sale which is being negotiated between the interested parties, certain leaseholders and the Secured Creditor.

4.2 Preferential Creditors

Preferential Creditors' claims consist of employee claims for arrears of pay and holiday pay.

CRHH did not employ any staff.

Following the closure of the Hotel on 13 January 2020 all of the CR employees were made redundant.

All staff wages were paid up until the closure of the Hotel in the trading period by the Joint Administrators.

Holiday pay accrued in the trading period and not taken by employees will be paid as an expense of the Administration.

Holiday pay accrued and not taken prior to the appointment date will rank as preferential claims in the Administration, the majority of which is likely to be subrogated to the DBEIS following payment to the employees by the RPS.

Based on payroll records, preferential claims are anticipated to total approximately £1,600.

Based on current information, it is uncertain as to whether there will be sufficient realisations to pay a dividend to the Preferential Creditors.

4.3 Unsecured Creditors

According to the Joint Administrators' Estimated Financial Position included in the Joint Administrators' Statement of Proposals in respect of CRHH, Unsecured Creditors total approximately £8,452,000 in respect of trade creditors, investor buyback provisions, inter-company loans and HMRC. To date, no claims have been received from Trade Creditors.

Claims have been received from investors in CRHH totaling £1,658,500. We have not yet received claims from all investors listed on CRHH's records and the Joint Administrators' investigations into the investments are going.

In respect of CR, Joint Administrators' Estimated Financial Position included in the Joint Administrators' Statement of Proposals included Unsecured Creditors totaling approximately £3,988,000 in respect of trade creditors, payroll creditors, inter-company loans and HMRC. To date, claims totaling £95,763 have been received.

The Joint Administrators' investigations into the investor and inter-company positions remain ongoing.

Based on the current information available to the Joint Administrators, it is uncertain whether there will be sufficient realisations to enable a distribution to the Unsecured Creditors of the Companies. The final figure is dependent on further asset realisations, costs of the Administration and the quantum of creditor claims, once adjudicated.

If not already done so, creditors of the Company should complete the appropriate proof of debt form at Appendix 10 and return this to the Joint Administrators at manchester@duffandpheips.com or Duff & Pheips, The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

An update will be provided in the Joint Administrators' next progress report.

4.4 Prescribed part

For all charges dated post 15 September 2003, a prescribed part needs to be calculated and made available to Creditors.

As detailed in paragraph 4.1, CRHH and CR granted floating charges to NWAFL date 8 November 2017 and therefore the prescribed part provisions will apply.

Until such a time a sale of the Hotel is completed, it remains uncertain whether there will be sufficient asset realisations to apply the prescribed part or what the value of the prescribed part will be. Where the net property is less than £10,000, or greater than £10,000 and the costs are disproportionate to the benefit to creditors, the Joint Administrators may make a court application to disapply the prescribed part.

A further update will be provided to creditors in the next progress report.

5. Other matters

5.1 CRHH Creditors' Committee

Creditors may recall that as part of the proposals 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 five nominations for committee members in the case of CRHH and a committee was duly established on 7 February 2020 consisting of the five members.

Following the Reporting Period, the first meeting of the committee was held on 18 February 2020.

The Joint Administrators are liaising with the committee to agree a way forward in respect of any sale of the Hotel.

No Creditors Committee has been formed in respect of CR.

5.2 Joint Administrators' Receipts and Payments account

Detailed receipts and payments accounts for the period is shown in Appendix 3 together with a cumulative account for the whole of the Administration.

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, Statement of Creditors Rights.

6. Joint Administrators' fees and expenses and pre-Administration costs

6.1 Fees and expenses

6.1.1 Time costs

It is proposed that the Joint Administrators' fee basis was based on time costs and remuneration will be drawn on the basis of time properly given by the Joint Administrators and their staff in accordance with the fees estimate provided in the Joint Administrators' Proposals and Duff & Phelps Ltd's usual charge-out rates for work of this nature.

Upon a review of our hourly rates, inflation and industry averages, Duff & Phelps Ltd's hourly charge-out rates have been revised to reflect market rates. Rate changes will apply to all appointments held by employees of Duff & Phelps. Time is charged in 6 minute units and set out overleaf are the hourly rates with effect from 1 February 2020 (excluding VAT).

	£
Partners	650 - 750
Managers / Directors	390 - 665
Seniors	250 - 380
Assistants / Support Staff	50 - 200

Approval of the fee basis and the Joint Administrators' Fee Estimates which total £69,150 in respect of CRHH and £85,375 in respect of CR was being sought from the Secured Creditor of the Companies. To date, fee approval has not been provided as the Joint Administrators were validating the security and are currently negotiating with the Secured Creditor and the leaseholders in respect of a potential sale of the Hotel.

The Joint Administrators will seek fee approval from the creditors' committee in respect of CRHH.

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

In respect of CRHH, time costs incurred since the appointment date total £130,678, which represents £85,709 of post appointment time representing 265 hours at an average hourly rate of £323 and £44,968 of specialist investigations time representing 116 hours at an average hourly rate of £396.

Time costs to date have exceeded the fee estimate provided in the Joint Administrators' Statement of Proposals.

The time costs have exceeded the estimate due to the time spent on investigations. The fee estimate included time costs totaling £11,900 in respect of investigations. Time costs totaling £785 have been incurred in respect of financial review and investigations and CDDA reports and communication which includes the preparation and submission of the report to DBEIS. A further £44,968 has been incurred in respect of investigations which have been carried out in respect of the wider NPD investigations to identify and trace investor funds.

In respect of CR, time costs incurred since the appointment date total £140,681, which represents £94,619 of post appointment time representing 335 hours at an average hourly rate of £283 and £46,062 of specialist investigations time representing 116 hours at an average hourly rate of £396.

Time costs to date have exceeded the fee estimate provided in the Joint Administrators' Statement of Proposals.

The time costs have exceeded the estimate due to the time spent on investigations. The fee estimate included time costs totaling £11,900 in respect of investigations. Time costs totaling £1,146.3 have been incurred in respect of financial review and investigations and CDDA reports and communication which includes the preparation and submission of the report to DBEIS. A further £46,062 has been incurred in respect of investigations which have been carried out in respect of the wider NPD investigations to identify and trace investor funds.

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 Reporting Period.

It is uncertain what further time costs will be incurred in respect of progressing the Administrations of the Companies. This is dependent on the progress made in negotiating any potential sale of the Hotel and the ongoing negotiations with the Secured Creditor, the leaseholders and the creditors committee.

The Joint Administrators may seek approval of additional time costs following the sale of the Hotel. This approval will be sought from the creditors committee in respect of CRHH and the Secured Creditor in respect of CR. Details of any further time costs and the approval of these will be included in the next report to creditors.

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 disbursements 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.

Pre-Administration costs - CRHH			
	Paid (£)	Unpaid (£)	Total (£)
Duff & Phelps Ltd fees	0.00	4,980	4,980
Legal fees	0.00	650	650
Total	0.00	5,630	5,630

Details of the Pre-Administration costs were reported in the Joint Administrators' Proposals. The Joint Administrators will seek approval for the pre-Administration costs from the creditors committee in respect of CRHH.

Pre-Administration costs - CR			
	Paid (£)	Unpaid (£)	Total (£)
Duff & Phelps Ltd fees	0.00	4,980	4,980
Legal fees	0.00	650	650
Total	0.00	5,630	5,630

Details of the Pre-Administration costs were reported in the Joint Administrators' Proposals. The Joint Administrators will seek approval of these costs from the Secured Creditor in respect of CR.

7. Future strategy

7.1 Future conduct of the Administration

The Joint Administrators will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to:

- Continue to liaise with the Secured Creditor, the leaseholders, the creditors and the investors in regards to reaching an agreement on a sale of the Hotel and any subsequent distribution of funds.
- Paying outstanding costs of the Administration
- Agreeing the Joint Administrators' fees
- Paying a dividend to Preferential and Unsecured Creditors if applicable following the sale of the Hotel
- Dealing with other statutory matters and duties including accounting for VAT and completing corporation tax returns

7.2 Extension of the Administrations

An Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the Creditors' consent.

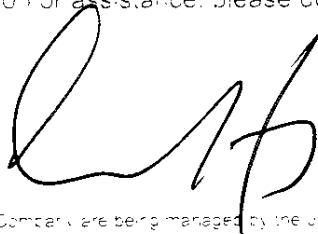
Should matters not be resolved by 7 August 2020 in the administration of the Companies, the Joint Administrators will seek approval to extend the Administrations in order to finalise outstanding matters.

7.3 Future reporting

Should an extension to the Administrations be agreed, the Joint Administrators will provide a further progress report within one month of 6 August 2020 or earlier if the Administration has been completed prior to that time.

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

Philip Duffy
Joint Administrator



The affairs, business and property of the Company are being managed by the Joint Administrators, Philip Francis Duffy and Sarah Helen Bell, 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	Caer Rhun Hall Hotel Limited	
Date of incorporation	20 August 2015	
Registered Number	09741446	
Company Directors	Iain Shelton appointed by the Interim Managers of NPD in their capacity as shareholders of the Company Gavin Woodhouse removed as director on 9 July 2019	
Company Secretary	None appointed	
Shareholders	NPD	
Trading address	n/a	
Registered office	Current: c/o Duff and Phelps The Chancery 58 Spring Gardens Manchester M2 1EW	Former: Northern Rd Unit D2 Eland Riorges Link Lowfields Business Park Eland

Any Other trading names

ADMINISTRATION INFORMATION

Administration Appointment	The Administration appointment granted in the High Court of Justice 5305 of 2019
Appointor	Director
Date of Appointment	8 August 2019
Joint Administrators	Philip Francis Duffy and Sarah Helen Bell
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	7 August 2020
Prescribed part	The prescribed part is [not] applicable in this case. It has been taken into account when determining the dividend prospects for Unsecured Creditors (Section 4) – amend as appropriate
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.

COMPANY INFORMATION - CR

Company and trading name	Caer Rhun Hotel Management Limited	
Date of incorporation	3 September 2015	
Registered Number	09760520	
Company Directors	Iain Shelton appointed by the Interim Managers of NPD in their capacity as shareholders of the Company Gavin Woodhouse (removed as director on 9 July 2019)	
Company Secretary	None appointed	
Shareholders	NPD	
Trading address	n/a	
Registered office	Current: c/o Duff and Phelps The Chancery 58 Spring Gardens Manchester M2 1EW	Former: Northern Pd Unit D2 El and Riorges Link Lowfields Business Park Eiland
Any Other trading names		

ADMINISTRATION INFORMATION

Administration Appointment	The Administration appointment granted in the High Court of Justice, 5296 of 2019	
Appointor	Director	
Date of Appointment	8 August 2019	
Joint Administrators	Philip Francis Duffy and Sarah Helen Bell	
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	7 August 2020	
Prescribed part	The prescribed part is [not] applicable in this case. It has been taken into account when determining the dividend prospects for Unsecured Creditors (Section 4) – amend as appropriate	
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations	

Appendix 2 – Approved Proposals

CRHH and CR

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 below:

That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases 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 Administration

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 Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration 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 Company into either creditors' voluntary liquidation or into compulsory liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Philip Francis Duffy and Sarah Helen Bell 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

Appendix 3 – Receipts and Payments accounts

Caer Rhun Hall Hotel Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

**Statement
of Affairs
£**

**From 08/08/2019
To 07/02/2020
£**

**From 08/08/2019
To 07/02/2020
£**

REPRESENTED BY

NIL

NIL

NIL

Note:

Philip Francis Duffy
Joint Administrator

Caer Rhun Hotel Management Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 08/08/2019 To 07/02/2020 £	From 08/08/2019 To 07/02/2020 £
POST APPOINTMENT SALES		
Credit card sales	128,146.21	128,146.21
Sales	77,248.30	77,248.30
	205,394.51	205,394.51
PURCHASES		
Purchases	4,802.00	4,802.00
	(4,802.00)	(4,802.00)
OTHER DIRECT COSTS		
Consumable Stores	2,527.54	2,527.54
Wages	127,309.68	127,309.68
	(129,837.22)	(129,837.22)
TRADING EXPENDITURE		
Advertising	489.00	489.00
Agency Staff	53,427.80	53,427.80
Carriage	260.00	260.00
Drinking Licence	180.00	180.00
Drinks	8,364.99	8,364.99
Employee Expenses	90.21	90.21
Entertainment	611.00	611.00
Food	23,215.24	23,215.24
Heat & Light	16,426.96	16,426.96
Hire of Equipment	11,473.20	11,473.20
IT Costs	170.23	170.23
Laundry	6,911.86	6,911.86
Merchant Services	44.95	44.95
Payroll Costs	110.00	110.00
Professional Fees	4,033.81	4,033.81
Ransom payments	12,471.16	12,471.16
Rates	5,173.41	5,173.41
Recycling	99.91	99.91
Repairs & Maintenance	4,985.66	4,985.66
Sales Commission	17,234.76	17,234.76
Telephone	1,659.60	1,659.60
TV	1,100.00	1,100.00
	(168,533.75)	(168,533.75)
TRADING SURPLUS/(DEFICIT)	(97,778.46)	(97,778.46)

Caer Rhun Hotel Management Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 08/08/2019 To 07/02/2020 £	From 08/08/2019 To 07/02/2020 £
ASSET REALISATIONS		
Bank Interest Gross	17.70	17.70
Cash at Bank	24,031.68	24,031.68
Cash in Transit	31,236.73	31,236.73
Debtors	19,489.00	19,489.00
Stock	3,539.76	3,539.76
Trading Surplus/(Deficit)	(97,778.46)	(97,778.46)
	(19,463.59)	(19,463.59)
COST OF REALISATIONS		
NPD Recharge	222.22	222.22
Statutory Advertising	174.96	174.96
	(397.18)	(397.18)
	(19,860.77)	(19,860.77)
REPRESENTED BY		
Floating/main current account		483.01
General VAT control account		(18,150.94)
VAT payable		(2,768.31)
VAT Receivable		575.47
		(19,860.77)

Appendix 4 – Schedule of expenses

A summary of expenses incurred during the period of this report is set out below

Schedule of Expenses	Incurred and paid in the period (£)	Incurred in the period and not yet paid (£)
Expenses		
Agents/Valuers fees Sanderson Weatherall		41,430
Insurance of assets		13,468
Legal fees – Hewlett Swanson		52,231
Legal fees – Addleshaw Goddard		38,791
Total		145,920

Schedule of Expenses	Incurred and paid in the period (£)	Incurred in the period and not yet paid (£)
Expenses		
Assured Fees		TBC*
Insurance of assets		5,675
Legal fees – Hewlett Swanson		45,032
Legal fees – Addleshaw Goddard		532
VAT paid/payable		2,768**
Total		54,007

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 basis of their fee

The above costs exclude VAT.

*Assured's costs have not yet been confirmed as there have been insufficient funds due to the significant trading losses to make payments

**VAT payable is likely to increase due to the unpaid trading costs details in section 2 of this report

Appendix 5 – Analysis of time charged and expenses incurred

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

We have incurred the following disbursements during the Reporting Period

CR

SIP 9 - Disbursements		Category 1		Category 2		Totals (£)
Disbursements	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)		
Accommodation						
Courier and delivery costs						
Meals	14.42					14.42
Bonding	225.00					225.00
Postage						
Mileage						
Travel	541.00					541.00
Total	780.42					780.42

CRHH

SIP 9 - Disbursements		Category 1		Category 2		Totals (£)
Disbursements	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)		
Accommodation						
Courier and delivery costs						
Meals	60.60					60.60
Bonding	225.00					225.00
Postage						
Mileage						
Travel	201.65					201.65
Total	487.25					487.25

Please note that this table includes expenses incurred by Duff & Phelps Ltd and is therefore unlikely to reconcile with the disbursements shown in the Schedule of Expenses.

107545 CAER RHUN HOTEL MANAGEMENT LIMITED
ANALYSIS OF TIME COSTS FOR THE PERIOD 08/08/2019 to 07/02/2020

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	0.90	3.25	0.00	5.15	0.00	9.30	2,634.00	283.23
Cashiering & accounting	0.00	23.05	10.80	20.00	0.00	53.85	16,513.50	306.66
IPS set up & maintenance	0.00	0.00	0.00	4.10	0.00	4.10	549.50	134.02
Insurance	0.00	0.00	0.00	1.60	0.00	1.60	376.00	235.00
Statutory matters (Meetings & Reports & Notices)	0.00	6.50	4.70	31.45	0.00	42.65	9,503.50	222.83
Strategy planning & control	0.50	2.75	14.00	10.20	0.00	27.45	8,666.00	315.70
Tax Compliance / Planning	0.00	0.25	0.00	0.00	0.00	0.25	83.75	335.00
Creditors								
Communications with Creditors / Employees	0.80	2.00	0.00	22.85	0.00	25.65	5,623.25	219.23
Non Pref Creditor claims adjudication & dist'n	0.00	0.00	0.00	0.25	0.00	0.25	45.00	180.00
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	5.80	0.00	5.80	1,131.50	195.09
Pref claims adjudication & distribution	0.00	0.00	0.00	4.85	0.00	4.85	947.75	195.41
Investigations								
CDDA & reports & Communication	0.00	0.00	0.00	0.40	0.00	0.40	86.50	216.25
Financial review and investigations (S238/239 etc)	0.00	0.25	2.00	5.90	0.00	8.15	1,376.00	168.83
Realisation of Assets								
Book debts	0.00	5.25	0.00	6.05	0.00	11.30	2,820.50	249.60
Other Tangible Assets	0.00	1.00	0.00	0.00	0.00	1.00	335.00	335.00
Sale of business	0.00	7.25	0.00	0.20	0.00	7.45	2,470.25	331.58
Stock & Work In Progress	0.00	0.50	0.00	0.00	0.00	0.50	167.50	335.00
Trading								
Trading - Accounting	0.00	39.35	14.60	1.55	0.00	55.50	19,035.25	342.98
Trading - Employees	0.00	2.50	0.00	9.25	0.00	11.75	3,015.00	256.60
Trading - Insurance	0.00	0.00	0.00	1.60	0.00	1.60	376.00	235.00
Trading - Operations	0.50	37.00	5.40	18.20	0.00	61.10	18,863.00	308.72
Total Hours:	2.70	130.90	51.50	149.40	0.00	334.50		282.87
Total Fees Claimed: £	1,431.00	46,136.50	18,744.00	28,307.25	0.00		94,618.75	

Category 2 Disbursements:

107545 CAER RHUN HOTEL MANAGEMENT LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 08/08/2019 to 07/02/2020

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
	0.00	57.40	12.80	2.00	44.25	116.45	46,062.47	395.56
Total Hours:	0.00	57.40	12.80	2.00	44.25	116.45		395.56
Total Fees Claimed: £	0.00	29,812.41	4,418.00	548.31	11,283.75		46,062.47	

Category 2 Disbursements

107603 CAER RHUN HALL HOTEL LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 08/08/2019 to 07/02/2020

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	0.90	1.00	0.00	2.45	0.00	4.35	1,303.75	299.71
Cashiering & accounting	0.00	0.00	0.00	9.95	0.00	9.95	1,893.75	190.33
IPS set up & maintenance	0.00	0.00	0.00	2.50	0.00	2.50	311.50	124.60
Insurance	0.00	0.00	0.00	1.60	0.00	1.60	376.00	235.00
Statutory matters (Meetings & Reports & Notices)	0.00	4.25	5.50	25.55	0.00	35.30	7,950.25	225.22
Strategy planning & control	1.50	4.25	12.70	19.15	0.00	37.60	10,812.75	287.57
Tax Compliance / Planning	0.00	0.00	0.00	0.20	0.00	0.20	47.00	235.00
Creditors								
Communications with Creditors / Employees	1.30	0.50	8.80	16.70	0.00	27.30	7,343.00	268.97
Creditors committee	0.00	0.00	0.00	0.25	0.00	0.25	45.00	180.00
Non Pref Creditors / Employee claims handling	0.00	0.25	0.00	0.00	0.00	0.25	83.75	335.00
Secured Creditors	0.00	0.00	24.20	0.00	0.00	24.20	9,075.00	375.00
Investigations								
CDDA & reports & Communication	0.00	0.00	0.00	0.40	0.00	0.40	86.50	216.25
Financial review and investigations (S238/239 etc)	0.00	0.25	2.00	0.00	0.00	2.25	697.50	310.00
Realisation of Assets								
Freehold and Leasehold Property	0.00	59.25	2.10	3.85	0.00	65.20	23,584.50	361.73
Sale of business	12.90	0.00	40.70	0.00	0.00	53.60	22,099.50	412.30
Total Hours:	16.60	69.75	96.00	82.60	0.00	264.95		323.49
Total Fees Claimed: £	8,798.00	25,713.75	35,868.00	15,330.00	0.00		85,709.75	

Category 2 Disbursements:

107603 CAER RHUN HALL HOTEL LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 08/08/2019 to 07/02/2020

Investigations

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
	0.00	56.05	11.55	2.00	44.10	113.70	44,968.47	395.50
Total Hours:	0.00	56.05	11.55	2.00	44.10	113.70		395.50
Total Fees Claimed: £	0.00	29,144.16	4,030.50	548.31	11,245.50		44,968.47	

Category 2 Disbursements

Appendix 6 – Narrative of work carried out for the period

CR

SIP 9 narrative for the period 8 August 2019 to 7 February 2020

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"> • Updating the list of Unsecured Creditors/investors. • Responding to enquiries from Creditors/investors regarding the Administration and submission of their claims. • Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records, and • Drafting progress statutory progress reports. • Providing written and oral updates to the Secured Lenders regarding the progress of the Administration and cases strategy. • Communicating with the committee for future decisions.
Investigations	<ul style="list-style-type: none"> • Managing and reviewing the Company books and records. • Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation. • Obtaining records from third parties. • Conducting interviews with counterparties and officeholders. • Enquiring with counterparties who has raised disputes against the Company. • Reviewing pre-appointment transactions, and • Documenting investigations.
Statutory and compliance	<ul style="list-style-type: none"> • Ensuring compliance with all statutory obligations within the relevant timescales. • Uploading information to the Creditors Portal/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. • <i>Monitoring the fees estimate; and</i> • <i>Monitoring the expenses estimate</i>

Asset realisations

- Collating information from the Company's records regarding assets, specifically inter company balances;
- Liaising with agents regarding the sale of the Hotel;
- Reviewing outstanding debtors;
- Liaising with third parties regarding costs incurred;
- Reviewing costs incurred to ensure recorded accurately; and

Tax

- Analysing and considering the tax effects of asset sales;
- Working on tax returns relating to the periods affected by the Administrator;
- Analysing VAT related transactions, reviewing the Company's duty position to ensure compliance with duty requirements and
- Dealing with post appointment tax compliance

CRHH

SIP 9 narrative for the period 8 August 2019 to 7 February 2020

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"> • Updating the list of Unsecured Creditors; • Responding to enquiries from Creditors regarding the Administration and submission of their claims; • Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records; and • Drafting progress statutory progress reports; • Providing written and oral updates to the Secured Lenders regarding the progress of the Administration and cases strategy; • Liaising with Hotel guests with bookings including weddings and other events
Investigations	<ul style="list-style-type: none"> • Managing and reviewing the Company books and records; • Investigating the affairs of the Company to identify any actions available to the Company against third parties in respect of antecedent transactions or other litigation; • Obtaining records from third parties; • Conducting interviews with counterparties and officeholders; • Enquiring with counterparties who has raised disputes against the Company; • Reviewing pre-appointment transactions; and • Documenting investigations.
Statutory and compliance	<ul style="list-style-type: none"> • Ensuring compliance with all statutory obligations within the relevant timescales; • Uploading information to the Creditors' Portal/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;

	<ul style="list-style-type: none"> • Renewing bonding and complying with statutory requirements. • Processing all receipts and payments in relation to the trading period
Asset realisations	<ul style="list-style-type: none"> • Collating information from the Company's records regarding assets • Liaising with agents regarding the sale of assets • Liaising with suppliers on any potential retention of title claims • Reviewing outstanding debtors and management of debt collection strategy • Seeking legal advice in relation to book debt collections. • Liaising with third parties regarding costs incurred • Reviewing and agreeing invoices • Reviewing costs incurred to ensure recorded accurately and • Arranging payments to agents and solicitors in a timely manner.
Trading	<ul style="list-style-type: none"> • Attending to supplier and customer queries and correspondence. • Reviewing invoices to ensure they correspond with the relevant purchase orders • Raising payments to suppliers in respect of Administration costs and • Contacting all suppliers to obtain final invoices for the trading period • Dealing with Hotel employees and wages and other deductions in relation to pensions and PAYE and any attachment of earnings orders
Tax	<ul style="list-style-type: none"> • Analysing and considering the tax effects of asset sales • Working on tax returns relating to the periods affected by the Administrator • Analysing VAT related transactions reviewing the Company's duty position to ensure compliance with duty requirements and • Dealing with post appointment tax compliance

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 Heather Barnes at Heather.Barnes@DuffandPheips.com.

Information for Creditors on remuneration and disbursements of Administrators

Information regarding the fees and disbursements of Administrators, including details of the Duff & Pheips 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.duffandpheips.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' requests for further information

If you would like to request more information about the Joint Administrators' remuneration and disbursements 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 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 Heather Barnes at Duff & Pheips, The Chancery, 58 Spring Gardens, Manchester, M2 1EW.

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 Companies
the Appointment Date	8 August 2019 being the date of appointment of the Joint Administrators
Assured	Assured Hotels Limited, independent agents who are instructed to oversee the operational management of the Hotel
the Bank/NatWest	NatWest Bank plc with whom the Companies banked
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Companies	Caer Rhun Hall Hotel Limited (in Administration) (Company Number: 09741446) and Caer Rhun Hotel Management Limited (in Administration) (Company Number: 09760520)
CR	Caer Rhun Hotel Management Limited, the company operating the hotel
CRHH	Caer Rhun Hall Hotel Limited, the Company in which the freehold of the property is held
DBEIS	Department for Business, Energy & Industrial Strategy
the Directors	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
Grant	Grant Hospitality Limited (Company number: 0989283) – in Administration
HMRC	HM Revenue and Customs
the Hotel	Caer Rhun Hall Hotel
Interim Managers	Philip Francis Duffy and Sarah Helen Bell of Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW appointed interim managers of NPD on 7 July 2019 and Grant on 12 July 2019 by order of the Court
the Joint Administrators	Philip Francis Duffy and Sarah Helen Bell of Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW

NPD	Northern Powerhouse Developments Limited (Company Number 09940469) – in Administration
NWAF the Secured Creditor	North West Asset Finance. Holder of a fixed and floating charge over CRHH
the Reporting Period	The period from 8 August 2019 to 7 February 2020
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
RPS	Redundancy Payments Service
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
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006

Appendix 9 – Notice about this report

This report has been prepared by Philip Francis Duffy and Sarah Helen Bell, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency Rules (England and Wales) 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 Rules (England and Wales) 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.

Philip Francis Duffy and Sarah Helen Bell 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, Duff & Phelps 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.

Appendix 10 – Proof of Debt Forms

PROOF OF DEBT - GENERAL FORM

<p align="center">Caer Rhun Hotel Management Limited - in Administration Company Registration No. 09760520</p>	
<p align="center">Date of Administration: 8 August 2019</p>	
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
	Contact telephone number of creditor
	Email address of creditor
	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

Caer Rhun Hall Hotel Limited - in Administration Company No. 09741446		
Date of Administration: 8 August 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	REF
	Contact telephone number of creditor	
	Email address of creditor	
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

AM10

Notice of administrator's progress report



Presenter information

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

Contact name **Max Spolverato**

Company name **Duff and Phelps**

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 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