

TO ALL KNOWN CREDITORS

6 March 2024

Ref: TRS/AD/JF/NH/AM

Niamh Hughes  
marhalladministration@uk.ey.com

Dear Sir/Madam

## **Mar Estates Limited (In Administration) ('the Company')**

### **Court of Session, Scotland, Number P702/23**

I write, in accordance with Rule 3.93 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration Rules 2018 ('the Rules')), to provide creditors with a report on the progress of the Administration. This report covers the period from 22 August 2023 to 21 February 2024 ('the Period') and should be read in conjunction with the Joint Administrators' statement of proposals ('the Proposals') in relation to the Company and its key asset, Mar Hall Golf & Spa Resort ('Mar Hall' or 'the Hotel') dated 27 October 2023. A copy of the Proposals can be viewed and downloaded from the Companies House website.

The Company, registered number SC203007, entered Administration on 22 August 2023 and Kris Aspin, Joseph Luke Charleton and I, Andrew Dolliver, were appointed to act as Joint Administrators ('the Joint Administrators'). The appointment was made by Qualifying Floating Charge Holder under the provisions of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

As licenced Insolvency Practitioners, we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to the Administration. Certain statutory information about the Company, the Administration and the office holders is given at Appendix 1.

### **Summary of progress**

#### ***Approval of the Proposals***

The Proposals were issued to all known creditors of the Company on 16 October 2023 with an updated version uploaded to Companies House on 27 October 2023. The Joint Administrators sought approval of the Proposals from the Company's Creditors via deemed consent and a Notice to creditors of the decision procedure by correspondence for this approval was enclosed with the Proposals.

The creditors approved the Proposals on 31 October 2023.

#### ***The Company's trading***

As stated in the Proposals, following the Joint Administrators' appointment, it was deemed appropriate to continue to trade the Hotel, despite being loss making, as the cessation of trade would materially negatively impact the realisable value of the Company's assets. The forecasted loss for the anticipated sales process period was materially lower than the likely diminution in value (and increase in creditor claims) that would result from ceasing to trade.



On appointment, Michels & Taylor were appointed to manage the Hotel operations, under the direction and supervision of the Joint Administrators. All bookings made prior to the appointment of the Administrators were honoured during the period in which the Joint Administrators operated the Hotel.

Throughout the Period, the Joint Administrators oversaw trading activities of the Company, including liaising with customers and suppliers, prepared trading accounts and monitored cash flow. The Administrators monitored and reviewed staffing levels and held regular TUPE meetings with elected employee representatives. The Joint Administrators also conducted extensive capex and health and safety works in order to remain compliant for insurance and health and safety purposes.

The Joint Administrators are in the process of preparing final trading accounts for the Administration trading period. The final trading accounts have not yet been completed and accordingly, the Joint Administrators' Summary of Receipts and Payments from 22 August 2023 to 21 February 2024 at Appendix 2 does not represent the final trading position of the Company. We do, however, anticipate that the Company will generate a trading loss of in the region of £581k for the period of trading to 15 December 2023. As stated in the Proposals, the Secured Lender agreed to provide funding to cover such losses.

### **Asset Realisations**

#### *Sale of business and freehold property*

The Company's main asset was Mar Hall Golf & Spa Resort, a freehold property in a rural setting near the village of Bishopton in Renfrewshire. The Joint Administrators appointed Savills to assist in the marketing and sale of the business, including the freehold property as part of the overall business sale.

Over the period, Savills liaised with 11 interested parties and on 15 December 2023, the Joint Administrators successfully completed the sale of the business and freehold property to Mar Hall Hospitality Limited, a Joint Venture by the Dutco Group and Align Partners ('the Purchaser').

The total sale consideration achieved was £11,500,000.00, apportioned as follows:

<b>Asset</b>	<b>£</b>
Property	11,120,000
Equipment	350,000
Stock	30,000
<b>Total sale consideration</b>	<b>11,500,000</b>

#### *Equipment*

The Company's equipment included fixtures and fittings, golf buggies and green's machinery on hire purchase. As detailed above, the equipment, which was utilised throughout the Administration trading period was sold to the Purchaser for consideration of £350,000.

#### *Stock*

The Joint Administrators appointed agents, Venners, completed a stock take in the days leading up to completion. The Purchasers acquired the stock including food & beverage, cleaning supplies and stock located in the spa for consideration of £30,000.



### *Trade Debtors*

At the commencement of the Administration, the Company records indicated there was £73,530 of trade debtors. Some of these trade debts were realised through the ongoing trading of the hotel, and as of the date of sale, through investigations, the majority of the trade debts were deemed to be uncollectable, historic debts which had not been written off by the Company in previous accounting periods.

The Joint Administrators have identified collectable debts of £9,668.04, with the sum of £272.00 realised to date. A further update will be provided in our next report.

### *Related Party Transactions*

At the time of the Proposals, the Company was owed £842,825 from five related entities. These balances relate to intercompany balances, and personal loans to each of the directors of the Company. Investigations by the Joint Administrators have determined that a large sum of these debtor balances are offset by amounts due by the Company and one of the five related entities are now dissolved.

We will be in correspondence with one director with a view to collecting out a balance of £6,534.46. To date, we have not received payment of this debt.

### *Cash at Bank*

At the commencement of the Administration, the Joint Administrators secured cash of £142,175.80 from Allied Irish Bank ('AIB') which was transferred to Michels & Taylor's Operating Account to support the trading of the Hotel.

As of the reporting date, the Company holds £1,338,564.72 in the Administration bank account with gross interest of £7,333.65. We continue to liaise with AIB to transfer any receipts from the Company's pre-appointment bank accounts into the Administration account but can confirm that no further funds are expected.

### **Costs of realisation**

Payments made from the date of our appointment to 21 February 2024 are set out in the attached receipts and payments account attached at Appendix 2.

Summaries of the most significant payments made to date are provided below.

### *Employee costs*

Employee costs of £650,821.58 include payroll and government taxes and pension contributions for employees of the Company and agency staff costs.

### *Payments to suppliers*

As noted above, we have yet to finalise the trading accounts for the period to 15 December 2023 but in the Period we have made payments to suppliers totalling £700,733.17 so the business could continue to trade.



### **Extension of Administration**

The Joint Administrators are of the opinion that all issues will be resolved in the Administration before 21 August 2024 and, if so, this Administration will automatically come to an end at that point.

### **Receipts and payments account**

A summary of our receipts and payments for the period from 22 August 2023 to 21 February 2024 is attached at Appendix 2. It does not reflect estimated future realisations or costs.

### **Investigations**

We have concluded our investigations into the Company's affairs, in accordance with Statement of Insolvency Practice 2 (Investigations by Office Holders), and the Company Directors Disqualifications Act 1986, with the necessary conduct report being made to the Insolvency Service on 22 November 2023. No investigations are continuing, and no third-party funding has been provided.

### **Joint Administrators' remuneration**

The statutory provisions relating to remuneration are set out in Rules 3.95 to 3.101 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018.

In certain circumstances, creditors are entitled to request further information about our remuneration or outlays, or to apply to court if they consider the costs to be excessive (Rule 3.100, Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018. Further information is given in 'A Creditors' Guide to Administrators' Fees,' a copy of which may be accessed from the web site of the Institute of Chartered Accountants of Scotland at <https://www.icas.com/technical-resources/creditor-guides-to-office-holder-remuneration> or is available in hard copy upon written request to the Joint Administrators.

We have written to the general body of creditors under separate cover to seek the following decisions from creditors: i) the Joint Administrators' remuneration to be fixed on a time-costs basis, ii) payment of pre-administration costs, iii) approval to draw Category 2 disbursements and iv) approval to draw remuneration in respect of floating charge asset realisations.

During the period covered by this report, we have incurred time costs totalling £1,583,822.50, against which no sums have yet been drawn. However, the amount that will be available to the Joint Administrators to draw as fees will be restricted to £335,000 plus VAT based on the level of fixed and floating charge realisations after deducting appropriate expenses.

At Appendix 3 to this report there is an analysis and narrative explanation of the time spent.

### **Joint Administrators' outlays**

During the period covered by this report, we have incurred but not drawn outlays totalling £4,049.53 plus VAT. There is a breakdown of outlays incurred in this period and to date at Appendix 4 of this report.

### **Pre-administration costs**

Our pre-administration costs have recently been approved by the secured creditor and we have written to the general body of creditors under separate cover to seek approval of our unpaid pre-administration costs incurred with a view to the Company entering Administration.



### **Secured creditor**

Promontoria Maple Designated Activity Company, the Company's secured creditor, has total indebtedness at 22 August 2023 of £10,023,957 (excluding interest and costs).

### **Primary preferential creditors**

Claims from employees in respect of accrued but unpaid arrears of pay up to £800, accrued but unpaid holiday pay and certain pension benefits, rank preferentially and in priority to other preferential creditors (see below). These claims are therefore referred to as 'primary preferential creditors'.

Primary preferential claims of £21,414.41 have been received to date and the Joint Administrators are of the opinion that a nominal distribution to primary preferential creditors may be made in due course.

### **Secondary preferential creditors**

Claims from HMRC, in relation to VAT, PAYE and employee's National Insurance Contributions rank preferentially, but secondary to the employee primary preferential creditors above. These claims are therefore referred to as 'secondary preferential creditors'.

The Joint Administrators estimate the amount of secondary preferential creditors at the date of the appointment to be £386,197.67. Based on current estimates, it is likely that there will be insufficient funds available for a distribution to secondary preferential creditors in full.

### **Non-preferential, unsecured creditors**

The Joint Administrators continue to receive claims from non-preferential, unsecured creditors of the Company. It is estimated that non-preferential, unsecured creditors will be in the region of c£349k.

At this stage, we do not anticipate sufficient funds available to enable a distribution to the non-preferential, unsecured creditors.

### **The prescribed part**

As noted above, the Joint Administrators are of the opinion that there will be insufficient funds available to enable a distribution to be made via the prescribed part or otherwise.

### **Remaining work**

The Joint Administrators will continue to deal with the Administration in line with the stated objectives outlined in the Proposals. Future tasks will include, but may not be limited to, the following:

- Dealing with the Company's debtor book, including collection of debtor balances due to the Company;
- Liaising with the Company's pre-appointment bankers to secure the release of any future receipts received into the pre-appointment bank accounts;
- Distributing amounts to preferential creditors (as applicable);
- Dealing with creditor queries;



- Reviewing and adjudicating preferential creditor claims (as applicable);
- Dealing with corporation tax and VAT matters, including filling statutory returns;
- Ensuring all statutory reporting and compliance obligations are met;
- Finalising the Administration including payment of all Administration expenses and liabilities; and
- Any other actions required to be undertaken by the Joint Administrators in order to fulfil the purpose of the Administration.

#### **Other matters**

##### ***Corporation tax matters***

Our internal tax specialists have been instructed to review the Company's tax position and to prepare the necessary corporation tax returns for the periods affecting the Administration to date. This workstream is ongoing and a further update will be provided to creditors in our next progress report.

##### ***Statement of Affairs***

The Company's directors have yet to submit a signed Statement of Affairs and we continue to liaise with their lawyers in that regard.

##### ***The End of Administration***

It is proposed that, as it is unlikely that at the end of the Administration the Company will have no property which might permit a distribution to its creditors, the Joint Administrators will send a notice to that effect to the Registrar of Companies. On registration of the notice the Joint Administrators' appointment will come to an end. In accordance with the provisions of paragraph 84(6) of Schedule B1 to the Insolvency Act 1986 the Company will be deemed to be dissolved three months after the registration of the notice.



### ***Next report***

We will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner.

In the meantime, if you have queries regarding the content of this report, please do not hesitate to contact us by email at [marhalladministration@uk.ey.com](mailto:marhalladministration@uk.ey.com)

Yours faithfully  
for Mar Estates Limited (In Administration)

A handwritten signature in blue ink, appearing to read 'Andrew Dolliver', is positioned above the printed name.

Andrew Dolliver  
Joint Administrator

Andrew Dolliver is licensed in the United Kingdom to act as an Insolvency Practitioner by The Insolvency Practitioners Association, Kris S Aspin is licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants of Scotland and Joseph L Charleton is licensed in the United Kingdom to act as an Insolvency Practitioner by Chartered Accountants Ireland.

The affairs, business and property of the Company are being managed by the Joint Administrators, Andrew Dolliver, Kris S Aspin and Joseph L Charleton, who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. The Office Holder Data Privacy Notice can be found at [www.ey.com/uk/officeholderprivacy](http://www.ey.com/uk/officeholderprivacy).

## Appendix 1

### Information about the proceedings, the company and the office holders, as required by Rule 3.94 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018

Name of court: Court of Session, Scotland  
Court reference: P702/23  
Registered name of the Company: Mar Estates Limited  
Registered office address of the Company: c/o Ernst & Young LLP, G1 Building, 5 George Square, Glasgow, G2 1DY  
Registered number: SC203007  
Country of incorporation (for a company incorporated outside the United Kingdom): N/A  
Date of appointment of the Joint Administrators: 22 August 2023  
Details of any changes of Administrator: None  
Full names of the Administrators: Andrew Dolliver, Kris S Aspin and Joseph L Charleton  
Office holder numbers: 15230, 25250 and 12910

#### Details of the Joint Administrators

Andrew Dolliver Ernst & Young LLP Bedford House 16-22 Bedford Street Belfast BT2 7DT	Kris Aspin Ernst & Young LLP Atria One 144 Morrison Street Edinburgh EH3 8EX	Luke Charleton Ernst & Young LLP Harcourt Centre 2 Harcourt Steet Dublin
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Email: marhalladministration@uk.ey.com  
Name of alternative person to contact with enquiries about the case: Niamh Hughes



## Appendix 2

### Mar Estates Limited (In Administration)

#### Joint Administrators' Summary of Receipts and Payments from 22 August 2023 to 21 February 2024

Per Estimated Statement of Financial Position	Trading Receipts	Cummulative to 6 October 2023 (£)	Transactions since 7 October 2023 (£)	Cummulative to 21 February 2024 (£)
142,176.00	Cash on Appointment	142,175.80		142,175.80
	Sale of Property		11,500,000.00	11,500,000.00
	Customer Sales	294,885.57	484,377.46	779,263.03
	Funding from Secured Creditor	150,000.00	300,000.00	450,000.00
	Book Debts		272.00	272.00
	Bank Interest	279.41	7,054.24	7,333.65
<b>142,176.00</b>	<b>Total</b>	<b>587,340.78</b>	<b>12,291,703.70</b>	<b>12,879,044.48</b>
	<b>Trading Payments</b>			
	Employee costs	232,538.52	418,283.06	650,821.58
	Payments to Suppliers	130,887.72	569,845.45	700,733.17
	Rates		24,189.91	24,189.91
	Insurance		64,262.72	64,262.72
	Agents Costs		54,290.38	54,290.38
	Distribution to Secured Creditor		10,000,000.00	10,000,000.00
	Public Notices	94.00		94.00
	<b>Total</b>	<b>363,520.24</b>	<b>11,130,871.52</b>	<b>11,494,391.76</b>
	<b>Net Receipts and Payments</b>			<b>1,384,652.72</b>
	<b>Represented by</b>			<b>£</b>
	RBS Floating Account			1,338,564.72
	Agents Operating Account			2,563.83
	VAT			43,524.17
				<b>1,384,652.72</b>

#### Notes

- Receipts and payments are stated net of VAT.
- The stock and work in progress that existed at the date of our appointment has been consumed in the process of trading or returned to suppliers under claims for retention of title.

## Mar Estates Limited (In Administration)

### Joint Administrators' Time-Costs from 22 August 2023 to 21 February 2024

#### Time charging policy

The Administrators have engaged managers and other staff to work on the Administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters is charged to a time code established for the case. Time is recorded in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown below, as are the current hourly rates used.

Total summary of the Joint Administrators' time charged for the period from 22 August 2023 to 21 February 2024.

	Staff Grade						Total Hours	Total Cost £	Average Rate £
	Partner	Director	Assistant Director	Manager	Executive	Analyst			
Administration & Planning	2.1	-	0.4	55.4	294.6	16.0	368.5	183,418.50	497.7
Creditors	4.9	3.5	-	8.9	30.5	29.0	76.8	39,401.50	513.0
Debtors	2.1	-	-	2.5	4.0	1.5	10.1	6,843.50	677.6
Employees	20.3	-	0.9	115.6	7.7	-	144.5	114,581.00	792.9
Environmental Issues	-	-	-	-	2.0	-	2.0	1,080.00	540.0
Immediate Tasks	2.0	-	8.0	27.5	23.0	23.2	83.7	49,558.50	592.1
Investigation & CDDA	0.5	2.3	0.7	53.1	48.0	10.3	114.9	67,536.00	587.8
Job Acceptance & Strategy	2.0	-	-	-	-	-	2.0	2,820.00	1,410.0
Legal Issues	-	-	-	2.0	8.5	3.3	13.8	6,611.00	479.1
Members	2.6	-	-	-	-	-	2.6	3,666.00	1,410.0
Other Matters	-	-	-	3.5	-	-	3.5	2,537.50	725.0
Pre-Appointment	-	1.5	0.5	1.6	3.0	1.5	8.1	4,957.50	612.0
Property	11.3	-	-	9.6	8.0	20.5	49.4	32,198.00	651.8
Public Relations Issues	4.2	-	0.2	0.8	1.0	-	6.2	7,232.00	1,166.5
Reporting	8.3	-	-	27.6	34.0	25.8	95.7	54,041.50	564.7
Retention of Title	-	-	-	0.5	-	4.5	5.0	1,495.00	299.0
Sale of Business	39.2	95.2	-	131.2	264.5	33.7	563.8	372,653.50	661.0
Statutory Duties	3.2	9.5	0.3	12.3	74.5	35.5	135.3	68,652.00	507.4
Trading	71.6	123.0	9.5	134.1	235.7	28.7	602.6	448,556.00	744.4
VAT & Taxation	1.7	60.5	18.0	11.2	36.5	36.1	164.0	115,983.50	707.2
<b>Total Hours</b>	<b>176.0</b>	<b>295.5</b>	<b>38.5</b>	<b>597.4</b>	<b>1,075.5</b>	<b>269.6</b>	<b>2,452.5</b>		
<b>Time Costs (£)</b>	<b>246,183.00</b>	<b>281,775.00</b>	<b>36,675.00</b>	<b>433,115.00</b>	<b>510,196.50</b>	<b>75,878.00</b>		<b>1,583,822.50</b>	
<b>Average Hourly Rate (£)</b>	1,398.8	953.6	952.6	725.0	474.4	281.4		645.8	

Staff Description	Belfast Hourly rate (£)	Other Regional UK Hourly rate (£)
Partner	1,325	1,410
Director	1,065	1,090
Assistant Director	890	950
Manager	675	735
Executive	515	540
Analyst	205	315
Cashier	345	345

## Joint Administrators' time costs - explanation of the work done and ongoing

Basis of work	Category of work	Description of work	Work done / in progress / to be performed
Statutory	Accounting & Administration	<ul style="list-style-type: none"> <li>Overall management of the case, treasury and accounting functions, statutory compliance diaries and time cost reporting.</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> </ul>
Statutory	Creditors	<ul style="list-style-type: none"> <li>Receipt and recording creditor claims.</li> <li>Correspondence with creditors.</li> <li>Processing distributions to preferential and unsecured creditors (as applicable).</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>In progress</li> <li>To be performed</li> </ul>
Asset realisation	Debtors	<ul style="list-style-type: none"> <li>Realising the book debts of the Company.</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> </ul>
Statutory	Employees	<ul style="list-style-type: none"> <li>Assessing staffing requirements and making redundancies.</li> <li>Dealing with employee enquiries.</li> <li>Processing employee claims (if applicable)</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> <li>Work done</li> <li>To be performed</li> </ul>
Statutory	Immediate Tasks	<ul style="list-style-type: none"> <li>Completion of work streams requiring immediate attention following the appointment as required by statute.</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> </ul>
Statutory	Investigations	<ul style="list-style-type: none"> <li>Investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2 "Investigations by Office Holders".</li> <li>The Joint Administrators' report on the conduct of the directors under the Company Directors Disqualification Act 1986.</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> <li>Work done</li> </ul>
Asset realisation	Job Acceptance & Strategy	<ul style="list-style-type: none"> <li>Matters relating to the appointment and initial planning of the Administration strategy, including management and formulating and executing the strategy adopted.</li> <li>Considering exit routes from Administration and implementing the most appropriate route.</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> <li>Work done</li> </ul>
Statutory	Legal Issues	<ul style="list-style-type: none"> <li>Dealing with any ad hoc legal issues.</li> <li>Liaising with the Purchaser and our appointed solicitor for a sale of Mar Hall.</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>Work done</li> </ul>
Statutory	Members	<ul style="list-style-type: none"> <li>Liaising with the Company's shareholders (as required).</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> </ul>
Asset realisations	Other Assets	<ul style="list-style-type: none"> <li>Realising value from the Company's other assets.</li> <li>Assessing, quantifying and seeking to realise value from assets not recorded in the management accounts of the Company at the date of appointment.</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>In progress</li> </ul>
Statutory	Other Matters	<ul style="list-style-type: none"> <li>Dealing with assets owned by third parties.</li> <li>Recovery of the Company's physical books and records, and electronic records (including a back-up of the Company's servers and systems).</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> <li>Work done</li> </ul>
Asset realisation	Property	<ul style="list-style-type: none"> <li>Liaising with interested parties and sale agent to conduct a sales process and realise the Hotel.</li> <li>Liaising with the Purchaser to settle apportioned property costs.</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> <li>In progress</li> </ul>
Statutory	Public relations	<ul style="list-style-type: none"> <li>Agreeing and issuing statements to the press as required in pursuit of the Administration strategy.</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> </ul>

Statutory	Reporting	<ul style="list-style-type: none"> <li>Preparing the Joint Administrators' Statement of Proposals, six monthly progress reports and final report.</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> </ul>
Asset realisation	Retention of title	<ul style="list-style-type: none"> <li>Assessment and settlement of claims for retention of title from the Company's suppliers (if applicable).</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> </ul>
Asset realisation	Sale of business	<ul style="list-style-type: none"> <li>Sale of the business and/or the assets of the Company in pursuance of the Administrators' objectives.</li> <li>Liaising with the Purchaser and its advisors and relevant suppliers in relation to transitional arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> <li>Work done</li> </ul>
Statutory	Statutory Duties	<ul style="list-style-type: none"> <li>Completion of statutory requirements of the Administration, including notifications to creditors and members, advertising the appointment, and sending to creditors and filing at Companies House.</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> </ul>
Statutory	Trading	<ul style="list-style-type: none"> <li>Trading the Company in Administration</li> <li>Dealing with outstanding matters relating to the period that the Company was trading in Administration. This will include preparing final trading accounts, reconciling the costs of trading, and making final payments to supplies.</li> <li>Employee issues pertaining to trading the Company.</li> </ul>	<ul style="list-style-type: none"> <li>Work done</li> <li>In progress</li> <li>Work done</li> </ul>
Statutory	VAT & Taxation	<ul style="list-style-type: none"> <li>Preparing corporation tax and VAT returns, with input from EY VAT and tax specialists.</li> <li>Preparing claims for VAT bad debt relief (if applicable).</li> <li>Assessment of the VAT and tax treatments of transactions and agreements entered into during the Administration.</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> <li>In progress</li> <li>In progress</li> </ul>

### Payments to other professionals

As noted in the Proposals, the Joint Administrators engaged the following other professionals to assist them. They were chosen on the basis of their experience in similar assignments.

Savills were appointed sales agents having previously been involved in marketing the Company for sale and were therefore able to commence the sales process without delay. Together with EY, they were able to provide extensive marketing to a wide market, to assist in maximizing the sales value.

Addleshaw Goddard are the chosen legal advisors for the Joint Administrators and have supported the Joint Administrators with Reports on Title and legal documentation for the sales process of the Resort.

Experienced hotel operator Michels & Taylor were instructed to support the Joint Administrators in managing the Company.

The Joint Administrators appointed agents, Venners, as reputable stock takers, to complete a stock take in the days leading up to the completion of the sale.

Name of firm	Nature of services	How contracted to be paid	Paid to dated excl VAT (£)
Addleshaw Goddard LLP	Legal Advisors	Time cost basis	

<b>Name of firm</b>	<b>Nature of services</b>	<b>How contracted to be paid</b>	<b>Paid to dated excl VAT (£)</b>
Savills Plc	Property Agents	1% of sales price	
Michels & Taylor (London) Ltd *	Hotel Operator	Monthly fixed fee	94,805.54
Venners Limited	Stock Taker	Fixed fee	973.50

\*Michels & Taylor (London) Ltd costs are included within Appendix 2 Receipts and Payments under lines Payments to Suppliers and Agents Fees.

## Mar Estates Limited (In Administration)

## Summary of Joint Administrators' expenses and outlays

Type of Outlay	Paid as at 16 October 2023	Paid in Period	Outstanding	Total
<b>Category 1 disbursements (see Note 2)</b>				
Accommodation and subsistence	-	-	1,049.48	1,049.48
Travel costs	-	-	2,297.06	2,297.06
Posting and printing	-	-	539.59	539.59
<b>Category 2 disbursements (Note 2)</b>				
Mileage	-	-	163.40	163.40
<b>Totals</b>	-	-	4,079.53	4,079.53

**Notes**

- 1 Statement of Insolvency Practice 9 defines expenses as payments which are first met by the office holder, and the reimbursed to the office holder from the estate. Expenses fall into two categories: Category 1 and Category 2.
- Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval
  - Category 2 expenses are payments to associates or which have an element of shared costs. Before being paid, Category 2 expenses require approval in the same manner as an office holder's remuneration

It is our policy, in accordance with SIP 9, to disclose Category 1 and Category 2 expenses but only to seek approval for Category 2 expenses before they are drawn.