

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

007 35317

Name of Company

Holloway White Allom Limited

I / We

David John Standish, PO Box 695, 8 Salisbury Square, London, EC4Y 8BB

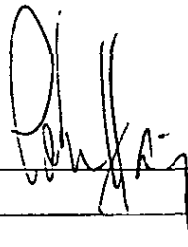
Colin Michael Trevethyn Haig, PO Box 695, 8 Salisbury Square, London, EC4Y 8BB

Howard Smith, PO Box 695, 8 Salisbury Square, London, EC4Y 8BB

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 01/03/2013 to 28/02/2014

Signed



Date

23/4/14

KPMG LLP
PO Box 695
8 Salisbury Square
London
EC4Y 8BB

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Holloway White Allom Limited
(In Liquidation)
Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 01/03/2013 To 28/02/2014
ASSET REALISATIONS	
Book debts	18,096 81
Tax refunds (pre-liq)	1,045 04
VAT refunds (pre-liq)	48,775 25
Cash at bank	384,810 16
	<u>452,727 26</u>
OTHER REALISATIONS	
Bank interest, gross	1,317 68
Sundry refunds	250 00
	<u>1,567.68</u>
COST OF REALISATIONS	
Book debt collector's costs	12,146 19
Legal fees	2,061 00
Professional fees	17 75
Storage costs	18,364 66
Statutory advertising	84 60
Bank charges	40 00
	<u>(32,714 20)</u>
PREFERENTIAL CREDITORS	
Employees' wage arrears and holiday	246,049 24
	<u>(246,049 24)</u>
	<u><u>175,531.50</u></u>
REPRESENTED BY	
VAT receivable	6 80
Current account	175,524 70
	<u><u>175,531.50</u></u>



Holloway White Allom Limited
(in creditors' voluntary
liquidation)

Progress report for the period
from 1 March 2013 to
28 February 2014

Pursuant to Rules 4 49C
of the Insolvency Rules 1986 (as amended)

KPMG LLP
23 April 2014



Holloway White Allom Limited (in creditors' voluntary liquidation)

Progress report

KPMG LLP

23 April 2014

Notice: About this report

This Report has been prepared by David John Standish, Colin Michael Trevethyn Haig and Howard Smith, the Joint Liquidators of Holloway White Allom Limited, solely to comply with their statutory duty to report to members and creditors under Rules 4.49C of the Insolvency Rules 1986, and to provide an account of their acts and dealings and of the conduct of the Liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Holloway White Allom Limited.

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 Sections 104A of the Insolvency Act 1986 (as amended) does so at its own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any responsibility and will not accept any liability in respect of this Report to any such person.

David John Standish and Howard Smith are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

Colin Michael Trevethyn Haig is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the liquidation.



Holloway White Allom Limited (in creditors' voluntary liquidation)

Progress report

KPMG LLP

23 April 2014

Contents

Glossary	1
1 Introduction	2
2 Progress of the Liquidation	2
3 Liabilities	3
4 Other matters	4
5 Future reporting	5

Appendices

1	Company information
2	Liquidators' receipts and payments accounts for the period 1 March 2013 to 28 February 2014
3	Analysis of Liquidators' time costs for the period 1 March 2013 to 28 February 2014, plus schedule of hourly charge out rates
4	Schedule of expenses



Glossary

Administrators	William Wright, Colin Haig and Howard Smith of KPMG LLP
Company	Holloway White Allom Limited – in Liquidation
Directors	Robert Terry Cole, Mark Crompton Hailey, Stephen Charles Keating, Richard Oirschot
Gateley	Gateley LLP
GVA	GVA Grimley
HWA Group	<ul style="list-style-type: none">• Privet H Limited (formerly HWA Group Limited),• HWA Limited,• Holloway White Allom Limited – in Liquidation, and• Angus Gibson Music Limited – previously in Administration
Liquidators	David Standish, Colin Haig and Howard Smith of KPMG LLP
Privet	Privet Capital HWA LP
PN5	Privet Newco 5 Limited
Reward	Reward Investments Limited (formerly Reward Capital Limited)
Secured creditors	<ul style="list-style-type: none">• Reward Investments Limited (formerly Reward Capital Limited),• Privet Capital HWA Limited, and• Zurich GSG Limited

The references in this Report to Sections or Rules are to the Insolvency Act 1986 and the Insolvency Rules 1986 (both as amended)



1 Introduction

As detailed in the administration reports, the Company's primary activity has been construction work for high net worth individuals and corporate entities in the south east of England since its incorporation in 1962

The Company had previously obtained finance from Lloyds Bank plc. The Company was one of two trading entities within the HWA Group. The HWA Group was acquired in February 2011 by Privet, a special purpose vehicle ("SPV") owned by a number of investors but managed by Privet Capital LLP. Privet also took an assignment of secured debt from Lloyds at the time of acquisition. The debt was purchased by Privet and when the Company was unable to repay the debt, it was placed into administration.

On 1 March 2013, the Company exited from the administration via a creditors voluntary liquidation.

This is the Liquidators' first annual progress report to creditors for the period 1 March 2013 to 28 February 2014. The Liquidators' receipts and payments account for the period is attached at Appendix 2.

All figures referred to in this report are shown net of VAT unless otherwise stated.

2 Progress of the Liquidation

2.1 Realisations

2.1.1 Funds transferred from the Administration

The sum of £384,810 was transferred into the liquidation from the administration estate.

2.1.2 Contract in progress and book debts

The Liquidators' agent, PN5 continue to pursue contracts in progress and book debt realisations. In this reporting period, £18,097 has been realised.

2.1.3 VAT

A VAT refund of £48,775 has been received in this reporting period. This relates to final VAT reclaims from the administration and some VAT bad debt relief.

2.1.4 Other realisations

Other realisations in the liquidation are shown in the attached receipts and payments accounts.

2.2 Cost of realisations

Payments made in this period are set out in the attached receipts and payments accounts (see Appendix 2).

The schedule of expenses attached as Appendix 4 details the costs incurred, whether paid or unpaid, relating specifically to these reporting periods only

2.2.1 Liquidators' time costs and remuneration

The statutory provisions relating to remuneration are set out in Rule 4.127

Further information is given in the Association of Business Recovery Professionals' publication *A Creditors' Guide to Liquidators' Fees*, a copy of which can be obtained at https://www.r3.org.uk/media/documents/technical_library/SIPS/SIP9_EW_Payments_to_Insolvency_Office_Holders_and_their_Associates.pdf. However, if you are unable to access this guide and would like a copy, please contact Giuseppe Parla on 020 7311 8730

An analysis of the Liquidators' time costs for the period from 1 March 2013 to 28 February 2014 is attached as Appendix 3. This shows time costs incurred of £77,751 representing 279 hours at an average hourly rate of £279

No remuneration as Liquidator has been drawn, but it is intended that the costs will be drawn in due course in accordance with the Administrators' approved proposals. The remaining Secured creditor, Privet has authorised the Liquidator to draw up to £20,000. The quantum of any additional fees will be approved by the Privet.

2.2.2 Legal costs

In this period the Liquidators' solicitors, Gateley have been paid £2,061 for its outstanding legal costs relating to book debt realisation advice during the Liquidation. A further sum of £8,667 has been incurred and paid shortly after this reporting period.

2.2.3 Storage costs

During this reporting period, £18,364 of costs has been incurred for the storage of the Company's books and records. The Liquidators are reviewing the position in order to reduce this ongoing cost.

2.2.4 Book debt collector's fees

As detailed above, PN5 have been collecting the remaining book debts of the Company. During this reporting period, they have been paid £12,146.

2.2.5 Other costs of realisations

Other costs of realisations are shown in the attached receipts and payments accounts at Appendix 2 and are self explanatory.

3 Liabilities

3.1 Secured creditors

At the date of Administrators' appointment Privet was owed approximately £8.9 million by the HWA Group by virtue of an assignment of debt from LTSB on 11 February 2011 and a further £450,000 by virtue of an assignment of debt from Reward on 24 October 2011.



Zurich also holds a legal charge dated 5 April 2008 over all property interests of the HWA group including those at 43 South Audley Street, London. The freehold of that property was sold prior to the Administrators' appointment and no further amounts are believed to be due to Zurich.

The validity of this security in Privet's favour has been verified by the Administrator's solicitors.

No further distributions have been made to Privet in the Liquidation.

3.2 Preferential creditors

Preferential creditors have been paid in full during this reporting period, totalling £246,049.

3.3 Unsecured creditors and dividends

The prescribed part provisions of Section 176A entitle unsecured creditors to a percentage share of realisations from net floating charge assets, after costs of realisation and settlement of preferential claims, if any. The percentage is calculated on a sliding scale up to a maximum of £600,000 subject to costs of distributing the prescribed part. These provisions apply as the debenture in favour of the Secured creditor was created after 15 September 2003. It is currently estimated that net floating charge property available from the liquidation is c. £642,000, which would result in a prescribed part fund of c. £131,000. Please note that the costs of agreeing claims and making distribution to unsecured creditors will be deducted from the prescribed part funds available.

In their Statement of Affairs, the Directors estimated that the Company had unsecured liabilities of £26 million.

The Liquidators will adjudicate the unsecured claims and pay a dividend shortly. The exact amount and timing of a dividend is dependent on the costs of agreeing the claims and distributing the dividend to the unsecured claims. Any creditors which have not yet submitted claims should complete and return the attached proof of debt form, and return it to the Liquidators, together with documentation to support the claim as soon as possible.

If you are not owed money by the Company, please return the proof of debt form confirming this and no further correspondence will be sent to you.

4 Other matters

4.1 Investigations

As previously reported, the Liquidators have a duty to investigate whether potential causes of action exist against third parties which would increase recoveries for creditors.

In addition, the Liquidators have a duty to investigate the conduct of directors, and submit a further report to Department of Business, Innovation and Skills on the conduct of those directors or shadow directors who were in office in the three years prior to the



administration. The Liquidators have complied with this obligation. The contents of the report are confidential and cannot be disclosed.

4.2 Taxation

KPMG Tax specialists were instructed to prepare a corporation tax return for the period of the liquidation. In due course, a final return will be filed with HMRC and the Liquidators will seek confirmation that HMRC has no objection to the liquidation being concluded.

Final VAT returns will also be completed when all anticipated expenditure has been incurred.

5 Future reporting

The next report is due within two months of the anniversary, however it is anticipated that this may be issued sooner upon the Liquidators paying a dividend to creditors and obtaining tax clearance.

The Company will then be dissolved three months after the submission of the final report to the Registrar of Companies.

Colin Haig
Joint Liquidator



Appendix 1

Company information

Appointment

Company name & Trading style Holloway White Allom Limited

Liquidation Creditors Voluntary

Date of appointment 1 March 2013 following the conclusion of the administration

Current office holders details David Standish and Howard Smith are authorised to act as insolvency practitioners by the Insolvency Practitioners Association

Colin Haig is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales

Application of EC regulations EC regulations apply and these proceedings are the Main Proceedings as defined in Article 3 of the EC regulations

Company Information

Company registration number 00735317

Previous registered office 43 South Audley Street, Grosvenor Square, London W1K 2PU

Present registered office c/o KPMG LLP, 8 Salisbury Square, London, EC4Y 8BB

Trading address 43 South Audley Street, Grosvenor Square, London W1K 2PU



Holloway White Allom Limited (in creditors' voluntary liquidation)

Progress report

KPMG LLP

23 April 2014

Appendix 2

Liquidators' receipts and payments accounts for the period 1 March 2013 to 28 February 2014

Holloway White Allom Limited
(In Liquidation)
Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 01/03/2013 To 28/02/2014	From 01/03/2013 To 28/02/2014
ASSET REALISATIONS		
Book debts	18,096 81	18,096 81
Tax refunds (pre-liq)	1,045 04	1,045 04
VAT refunds (pre-liq)	48,775 25	48,775 25
Cash at bank	384,810 16	384,810 16
	<u>452,727 26</u>	<u>452,727 26</u>
OTHER REALISATIONS		
Bank interest, gross	1,317 68	1,317 68
Sundry refunds	250 00	250 00
	<u>1,567 68</u>	<u>1,567 68</u>
COST OF REALISATIONS		
Book debt collector's costs	12,146 19	12,146 19
Legal fees	2,061 00	2,061 00
Professional fees	17 75	17 75
Storage costs	18,364 66	18,364 66
Statutory advertising	84 60	84 60
Bank charges	40 00	40 00
	<u>(32,714 20)</u>	<u>(32,714 20)</u>
PREFERENTIAL CREDITORS		
Employees' wage arrears and holiday pay	246,049 24	246,049 24
	<u>(246,049 24)</u>	<u>(246,049 24)</u>
	<u>175,531.50</u>	<u>175,531.50</u>
REPRESENTED BY		
VAT receivable		6,534 85
Current account		175,524 70
Floating ch VAT control		(6,528 05)
		<u>175,531.50</u>



Holloway White Allom Limited (in creditors' voluntary liquidation)

Progress report

KPMG LLP

23 April 2014

Appendix 3

Analysis of Liquidators' time costs for the period 1 March 2013 to 28 February 2014, plus schedule of hourly charge out rates

Holloway White Allom Limited - in liquidation

Analysis of the Liquidators' time costs from 1 March 2013 to 28 February 2014

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Administration & planning							
Cashiering							
General (Cashiering)		8 60	6 80		15 40	£4,968 00	£322 60
Reconciliations (& IPS accounting reviews)			3 80		3 80	£978 00	£257 37
General							
Books and records			0 60	0 30	0 90	£185 50	£206 11
Statutory and compliance							
Appointment and related formalities			7 50		7 50	£1,593 50	£212 47
Bonding and bordereau				0 30	0 30	£34 50	£115 00
Checklist & reviews		1 70	2 40		4 10	£1 220 50	£297 68
Reports to debenture holders		3 00			3 00	£1 095 00	£365 00
Statutory advertising			0 20		0 20	£50 00	£250 00
Strategy documents			4 30		4 30	£1 117 00	£259 77
Tax							
Post appointment corporation tax		0 70	9 80		10 50	£2,166 50	£206 33
Post appointment VAT		3 90	9 80		13 70	£3,579 50	£261 28
Creditors							
Creditors and claims							
Agreement of preferential claims		7 80	74 10		81 90	£22 247 00	£271 64
Agreement of unsecured claims			19 80		19 80	£4 078 00	£205 96
General correspondence		1 00	21 50		22 50	£5 272 50	£234 33
Payment of dividends		0 50			0 50	£192 50	£385 00
Pre-appointment VAT / PAYE / CT		4 40			4 40	£1,606 00	£365 00
Statutory reports		1 50			1 50	£547 50	£365 00
Employees							
Correspondence		4 70	15 70		20 40	£5 722 50	£280 51
DTI redundancy payments service		0 40	1 40		1 80	£500 50	£278 06
Investigation							
Directors							
Correspondence with directors	0 80				0 80	£452 00	£565 00
D form drafting and submission		0 50	8 60		9 10	£2,261 00	£248 46
Directors' questionnaire / checklist			4 50		4 50	£845 50	£187 89
Investigations							
Mail redirection			0 30		0 30	£55 50	£185 00
Realisation of assets							
Asset Realisation							
Debtors	4 70	23 90	10 30		38 90	£14,079 00	£361 93
Freehold property		1 75			1 75	£648 75	£370 71
Goodwill			1 70		1 70	£447 50	£263 24
Open cover insurance			2 20		2 20	£578 50	£262 95
Other assets	0 80	1 50	0 90		3 20	£1 229 00	£384 06
Total in period					278 95	£77,751 25	£278 73

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

Disbursements

Bonding	83 33
Transportation	£452 30
	<u>£452 30</u>



Appendix 3 cont.

Restructuring	From 1 March 2013 to 30 September 2013 (£)	From 1 October 2013 to 28 February 2014 (£)
Partner	565	565
Director	485	485
Senior manager	450	475
Manager	365	385
Senior Administrator/Assistant Manager	250	265
Administrator	185	195
Support staff	115	120

KPMG Restructuring policy for the recovery of disbursements

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

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

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

Any disbursements paid from the estate are disclosed within the attached summary of disbursements.

Category 2 disbursements charged by KPMG Restructuring include mileage, this is calculated as follows:

Mileage claims fall into three categories:

Use of privately-owned vehicle or car cash alternative – 45p per mile

Use of company car – 60p per mile

Use of partner's car – 60p per mile

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

Appendix 4

Schedule of expenses for the period 1 March 2013 to 28 February 2014

	Paid £	Accrued £	Total for period £
Costs of realisations			
Book debt collector's costs	12,146	-	12,146
Legal fees	2,061	8,667	10,728
Professional fees	18	-	18
Storage costs	18,365	-	18,365
Statutory advertising	85	-	85
Bank charges	40	-	40
Liquidators' remuneration	-	20,000	20,000
Liquidators' expenses	-	453	453
	32,715	29,120	61,835

Notes

Liquidators' remuneration

Creditors are reminded that the basis upon which the Joint Liquidators' remuneration has been charged has been agreed in the preceding administration on a time costs basis. The quantum of the remuneration has been agreed with the Secured creditor but is yet to be drawn. Attached at appendix 3 is an analysis of the Liquidators' time costs incurred in this reporting period.

Creditors' request for further information

Any additional information regarding remuneration or expenses charged for the period is available from the Liquidators upon request by any secured creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt in accordance with Rule 4.49C. This request must be made within 21 days of receipt of the report. In addition creditors are reminded that the quantum can be challenged by any secured creditor or any unsecured creditor(s) with at least 10% in value (including that creditor's claim) of the unsecured debt by making an application to Court in accordance with Rule 4.131 within eight weeks of receipt of this report. The full text of these rules can be provided upon request.

Proof of debt - general form

In the matter of Holloway White Allom Limited

and

In the matter of the Insolvency Act 1986

Date of commencement of administration: 5 October 2011

Date of commencement of liquidation: 1 March 2013

1	Name of creditor	
2	Address of creditor	
3	Total amount of claim, including any VAT and outstanding uncapitalised interest as at the date of the company went into liquidation (see note on page 2)	£
4	Details of any documents by reference to which the debt can be substantiated (Note the Liquidator may call for any document or evidence to substantiate the claim at his discretion)	
5	If the total amount shown above includes outstanding uncapitalised interest please state amount	£
6	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under s 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
7	Particulars of how and when debt incurred	
8	Particulars of any security held, the value of the security, and the date it was given	
9	Particulars of any reservation of title claimed, including details of goods supplied, their value and when supplied	
10	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	