

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

00735317

Name of Company

Holloway White Allom Limited

I / We

David John Standish, 15 Canada Square, Canary Wharf, London, E14 5GL

Colin Michael Trevethyn Haig, 15 Canada Square, Canary Wharf, London, E14 5GL

Howard Smith, 15 Canada Square, Canary Wharf, London, E14 5GL

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 01/03/2014 to 28/02/2015

Signed

Df Standish

Date 29/4/2015

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Ref HD305A5533/RC/KOS/MS

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01/05/2015

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COMPANIES HOUSE

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

| Statement of Affairs | From 01/03/2014 To 28/02/2015 | From 01/03/2013 To 28/02/2015 |
|-------------------------------------|----------------------------------|----------------------------------|
| ASSET REALISATIONS | | |
| Book debts | NIL | 18,096 81 |
| Tax refunds (pre-liq) | NIL | 1,045 04 |
| VAT refunds (pre-liq) | NIL | 48,775 25 |
| Cash at bank | NIL | 384,810 16 |
| | <u>NIL</u> | <u>452,727 26</u> |
| OTHER REALISATIONS | | |
| Bank interest, gross | 715 35 | 2,033 03 |
| Sundry refunds | NIL | 250 00 |
| | <u>715 35</u> | <u>2,283 03</u> |
| COST OF REALISATIONS | | |
| Book debt collector's costs | NIL | 12,146 19 |
| Legal fees | 8,666 67 | 10,727 67 |
| Professional fees | NIL | 17 75 |
| Corporation tax | 241 00 | 241 00 |
| Storage costs | 15,508 57 | 33,873 23 |
| Statutory advertising | NIL | 84 60 |
| Bank charges | 20 00 | 60 00 |
| | <u>(24,436 24)</u> | <u>(57,150 44)</u> |
| PREFERENTIAL CREDITORS | | |
| Employees' wage arrears and holiday | (53 65) | 245,995 59 |
| | <u>53 65</u> | <u>(245,995 59)</u> |
| | <u>(23,667 24)</u> | <u>151,864 26</u> |
| REPRESENTED BY | | |
| VAT receivable | | 11,369 90 |
| Current account | | 149,393 19 |
| Floating ch VAT control | | (8,898 83) |
| | | <u>151,864 26</u> |

David John Standish
Liquidator



Holloway White Allom Limited
(in creditors' voluntary
liquidation)

Progress report for the period
from 1 March 2014 to
28 February 2015

Pursuant to Rules 4.49C
of the Insolvency Rules 1986 (as amended)

KPMG LLP
29 April 2015



Holloway White Allom Limited (in creditors' voluntary liquidation)

Progress report

KPMG LLP

29 April 2015

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

29 April 2015

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| 2 | Liquidators' receipts and payments accounts for the period 1 March 2014 to 28 February 2015 |
| 3 | Analysis of Liquidators' time costs for the period 1 March 2014 to 28 February 2015, 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 previous 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' second annual progress report to creditors for the period 1 March 2014 to 28 February 2015. 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 Bank interest

Bank interest of £715 was received in the period.

2.1.2 Contract in progress and book debts

The Liquidators' agent, PN5, continue to pursue contracts in progress and book debt realisations. No realisations have been made in this reporting period.

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 Kerry O'Sullivan on 01223 582036

An analysis of the Liquidators' time costs for the period from 1 March 2014 to 28 February 2015 is attached as Appendix 3. This shows time costs incurred of £65,463 representing 239 hours at an average hourly rate of £274.

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 Privet.

2.2.2 Legal costs

In this period the Liquidators' solicitors, Gateley, have been paid £8,667 for its outstanding legal costs relating to book debt realisation advice during the Liquidation.

2.2.3 Storage costs

During this reporting period, £15,509 has been incurred for storage of the Company's books and records.

2.2.4 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

The preferential creditors have been paid in full.

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. Funds of £131,384 are available to the unsecured creditors by virtue of the prescribed part. However, this sum is subject to the deduction of costs and expenses directly associated with agreeing unsecured claims and making the distribution.

Unsecured creditors totalling £22.8 million have been agreed to date and the Liquidators will declare and pay a dividend shortly.

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 the 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.



Holloway White Allom Limited (in creditors' voluntary liquidation)

Progress report

KPMG LLP

29 April 2015

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

A handwritten signature in black ink, appearing to read 'Df Standish'.

David Standish
Joint Liquidator

Appendix 1

Company information

Appointment

| | |
|--------------------------------|---|
| Company name & Trading style | Holloway White Allom Limited |
| Liquidation | Creditors' Voluntary Liquidation |
| 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, 15 Canada Square, Canary Wharf, London EH14 5GL |
| Trading address | 43 South Audley Street, Grosvenor Square, London W1K 2PU |



Holloway White Allom Limited (in creditors' voluntary liquidation)

Progress report

KPMG LLP

29 April 2015

Appendix 2

**Liquidators' receipts and payments accounts for the period 1 March
2014 to 28 February 2015**

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

| Statement of Affairs | From 01/03/2014 To 28/02/2015 | From 01/03/2013 To 28/02/2015 |
|---|----------------------------------|----------------------------------|
| ASSET REALISATIONS | | |
| Book debts | NIL | 18,096 81 |
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| Professional fees | NIL | 17 75 |
| Corporation tax | 241 00 | 241 00 |
| Storage costs | 15,508 57 | 33,873 23 |
| Statutory advertising | NIL | 84 60 |
| Bank charges | 20 00 | 60 00 |
| | <u>(24,436 24)</u> | <u>(57,150 44)</u> |
| PREFERENTIAL CREDITORS | | |
| Employees' wage arrears and holiday pay | (53 65) | 245,995 59 |
| | <u>53 65</u> | <u>(245,995 59)</u> |
| | <u>(23,667.24)</u> | <u>151,864.26</u> |
| REPRESENTED BY | | |
| VAT receivable | | 11,369 90 |
| Current account | | 149,393 19 |
| Floating ch VAT control | | (8,898 83) |
| | | <u>151,864.26</u> |



Holloway White Allom Limited (in creditors' voluntary liquidation)

Progress report

KPMG LLP

29 April 2015

Appendix 3

Analysis of Liquidators' time costs for the period 1 March 2014 to 28 February 2015, plus schedule of hourly charge out rates

Holloway White Allom Limited - in liquidation

Analysis of the Liquidators' time costs from 1 March 2014 to 28 February 2015

| | Partner / Director | Manager | Administrator | Support | Total hours | Time cost | Average hourly rate |
|--|-----------------------|---------|---------------|---------|----------------|-------------------|---------------------------|
| Administration & planning | | | | | | | |
| Cashiering | | | | | | | |
| General (Cashiering) | | 3 80 | 1 20 | | 5 00 | £1,793 00 | £358 60 |
| Reconciliations (& IPS accounting reviews) | | 0 10 | 1 20 | | 1 30 | £319 50 | £245 77 |
| General | | | | | | | |
| Books and records | | | 2 50 | | 2 50 | £668 50 | £267 40 |
| Fees and WIP | | | 0 20 | | 0 20 | £53 00 | £265 00 |
| Statutory and compliance | | | | | | | |
| Checklist & reviews | 0 80 | | 3 20 | | 4 00 | £1 303 00 | £325 75 |
| Statutory receipts and payments accounts | | | 0 60 | 0 30 | 0 90 | £195 00 | £216 67 |
| Tax | | | | | | | |
| Post appointment corporation tax | | 1 00 | 6 75 | | 7 75 | £1,863 75 | £240 48 |
| Post appointment VAT | 0 50 | 2 60 | 11 30 | | 14 40 | £3,917 00 | £272 01 |
| Creditors | | | | | | | |
| Creditors and claims | | | | | | | |
| Agreement of preferential claims | | | 0 50 | | 0 50 | £132 50 | £265 00 |
| Agreement of unsecured claims | | 0 60 | 167 10 | | 167 70 | £45,912 00 | £273 77 |
| General correspondence | | | 18 30 | | 18 30 | £5,017 50 | £274 18 |
| Pre-appointment VAT / PAYE / CT | | | 0 80 | | 0 80 | £216 50 | £270 63 |
| Statutory reports | | | 4 70 | | 4 70 | £1 217 50 | £259 04 |
| Employees | | | | | | | |
| Correspondence | | 0 50 | 0 40 | | 0 90 | £305 50 | £339 44 |
| DTI redundancy payments service | | | 0 60 | | 0 60 | £163 50 | £272 50 |
| Realisation of assets | | | | | | | |
| Asset Realisation | | | | | | | |
| Debtors | | | 2 00 | | 2 00 | £530 00 | £265 00 |
| Office equipment, fixtures & fittings | | | 4 90 | | 4 90 | £1,298 50 | £265 00 |
| Other assets | | | 2 10 | | 2 10 | £556 50 | £265 00 |
| Total in period | | | | | 238 55 | £65 462 75 | £274 42 |

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.

Appendix 3 cont.

| Restructuring | From 1 March 2013 to 30 September 2013 (£) | From 1 October 2013 to 30 September 2014 (£) | From 1 October 2014 to 28 February 2015 (£) |
|----------------------|---|---|--|
| Partner | 565 | 565 | 595 |
| Director | 485 | 485 | 535 |
| Senior manager | 450 | 475 | 485 |
| Manager | 365 | 385 | 405 |
| Senior Administrator | 250 | 265 | 280 |
| Administrator | 185 | 195 | 205 |
| Support staff | 115 | 120 | 125 |

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 2014 to 28 February 2015

| | Paid £ | Accrued £ | Total for period £ |
|------------------------------|---------------|------------------|---------------------------|
| Costs of realisations | | | |
| Liquidators' remuneration | - | 65,463 | 65,463 |

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.