

Rule 1 26/
1 54

The Insolvency Act 1986
 Notice to Registrar of
 Companies of Supervisor's
 Abstract of Receipts and
 Payments
 Pursuant to Rule 1 26(2)(b) or
 Rule 1 54 of the
 Insolvency Rules 1986

R.1.26(2)(b)/ R.1.54

For Official Use

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To the Registrar of Companies

Company Number

1429556

Name of Company

Holmes 2001 Limited Formerly Holmes Halls Tanners Limited

I / ~~We~~
 Angus Matthew Martin
 PO Box 810
 66 Shoe Lane
 London
 EC4A 3WA

supervisor(s) of a voluntary arrangement taking effect on

22 May 2001

present overleaf my/~~our~~ abstract of receipts and payments for the period from

22 May 2006


to

21 May 2007

Number of continuation sheets (if any) attached

☐

Signed



Date

5 JUN 2007

Deloitte & Touche LLP
 PO Box 810
 66 Shoe Lane
 London
 EC4A 3WA

Ref HOLM04D/JRC/LR1/LDB

For Official Use

Insolvency Section

Post Room

FRIDAY



A33

AVQE3REH

20/07/2007

COMPANIES HOUSE

5

RECEIPTS		£
Brought forward from previous Abstract (if any)		1,049,215 48
Bank Interest		30,806 52
Carried forward to * continuation sheet / next abstract		1,080,022 00
PAYMENTS		£
Brought forward from previous Abstract (if any)		398,522 06
Ongoing Funding		20,000 00
Storage Costs		359 80
VAT Receivable		63 00
Carried forward to * continuation sheet / next abstract		418,944 86

* Delete as appropriate

* Delete as appropriate

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the supervisor since he was appointed



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To All Creditors

16 July 2007

Our Ref LE0307022//JRC/LR 8

Dear Sir/Madam

Holmes 2001 Limited (formerly Holmes Halls Tanners Limited) - In Company Voluntary Arrangement ("Holmes").

Profitwell Limited - In Company Voluntary Arrangement ("Profitwell")

Introduction

I write in my capacity as Supervisor of the Company Voluntary Arrangement ("CVA") of Holmes and Profitwell to provide my six monthly report on the progress of the Arrangements

Creditors will recall that both companies are part of the Profitwell Group ("the Group"), the other member company of which, Hartside Limited, entered into a CVA on the same date

As advised in earlier reports the Group's assets and liabilities, under the terms of the proposals, are to be pooled and this report is therefore addressed to all Group creditors. I also enclose the Supervisors' six monthly report in respect of Hartside Limited, on behalf of the Supervisors, Mr RH Barker and Mr BA MacKay, under the terms of an agency agreement in existence between us. A Creditors' Guide to Fees is enclosed for your information.

Extension of the Arrangements

The ongoing National Insurance claim continues to delay my administration of the voluntary arrangements.

In 2006, a unanimous resolution of the Creditors' Committee was obtained to further extend the duration of all three Arrangements to 21 November 2006. Due to the protracted nature of the above issues, a further extension was unanimously agreed by members of the Creditors' Committee until 21 November 2007, or until a final distribution is made, whichever is the earlier.

Progress under the Arrangements

Please find enclosed the Supervisor's Receipts and Payments Account for the period of my administration to date.

Audit.Tax.Consulting.Corporate Finance.

Member of
Deloitte Touche Tohmatsu

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Assets

Land and buildings

As noted in my previous reports, all the land and buildings have been realised

Surplus from secured assets

All secured assets have been realised as detailed in previous reports and the Group's indebtedness to the secured creditors settled in full. The residual funds available were transmitted to the Supervisor and are included on the attached receipts and payments account.

Other assets

No further material asset realisations are expected.

Liabilities

The Group's preferential creditors have been paid in full.

I have continued to receive and agree unsecured creditors' claims since my last report and the majority in both number and value have now been agreed.

The Pension Scheme

Creditors will recall that an agreement has been reached with the pension scheme creditor and a formal proof of debt has been submitted by the trustee.

I have since written to the members of the Creditors' Committee to seek their approval for the admission of this claim into the CVA. They have agreed to admit the claim into the CVA, but, I shall call a meeting of creditors to formally bind the pension scheme creditor at a stage when I am in a position to bind any other claims (see below) into the CVA.

Employers' Liability Claims

I have not received any further employers' liability claims since the date of my last report.

National Insurance Contribution claim

Finally, you will be aware, from previous reports, that the Inland Revenue potentially had a further claim in the voluntary arrangement with regard to "Payment of remuneration by trade debts", being NIC due on payments made by the Group which were part of a scheme to avoid paying National Insurance Contributions.

You will recall that the test case found in favour of the revenue, but that the claim may be statute barred. Following advice from my tax advisors, Messrs Baker Tilly LLP, I have contacted the HM Revenue and Customs for confirmation that they no longer have a claim in this case.

They are currently liaising with their own legal department as to the status of their claim, but I fully expect that I will have determined their claim in the next two months

This claim should not require to be bound into the CVA since the Inland Revenue were originally notified of the scheme

Office Holders Costs

The nominees' fees in respect of all three Group companies are payable to Messrs Barker and MacKay of Baker Tilly, as are the Supervisors' fees in respect of Hartside. Full details in respect of Hartside's office holders' costs can be found in the Hartside report included with this report

Nominees' fees in respect of Holmes were estimated in the proposals at approximately £15,000 on a time cost basis. These sums were satisfied by the company pre-CVA and the sum of £9,523 was paid as an expense of the Arrangement in respect of Nominees' time costs not anticipated when the original proposals were drafted. Nominee's fees in respect of Profitwell (£2,000 - as estimated in the proposal) were discharged prior to the implementation of the CVA

My remuneration as Supervisor (of both Holmes and Profitwell) is governed by Clause 12.2 of the proposals, on a time-cost basis. My time costs incurred for the six months to July 2007 amount to £3,575 in respect of Holmes, (and have necessitated the inclusion of partner and senior manager input due to the complex work surrounding the pension resolutions) and £nil in respect of Profitwell, bringing total time costs to £183,458 (Holmes Halls Tanners) and £9,167 (Profitwell). Against this resolutions have been obtained to allow me to draw the sum of £100,000 to date

These assignments were expected at the outset to be of a straightforward nature and junior staff have been utilised wherever possible. Certain matters have however necessitated the input of more senior and partner time. In this particular period I have been awaiting an outcome from Messrs Baker Tilly on the NIC claim and hence myself and my staff had had little time input

There have as yet been no disbursements paid to my firm in respect of these assignments

Estimated Outcome for Creditors

The interim dividend discussed in my last report has had to be deferred due to the continuing uncertainty surrounding the pension, NIC and employee liability issues. This dividend will be paid once I have sufficient comfort as to the likely extent of any claim and the benefit of further legal discussions. If the claims are admitted they will, of course, impact the level of dividends available to creditors

I fully expect that following the determination of the Revenue's claim in the next two months, I will be in a position to call a meeting of creditors in respect of the agreed pension scheme claim, and then be able to pay a dividend to creditors before the year end.

If any further information is required please do not hesitate to contact my colleague James Clark

Yours faithfully



**// Angus M Martin
Supervisor- Holmes 2001 Limited
- Profitwell Limited**

Encs

Receipts & Payments Account

Holmes 2001 Limited Formerly Holmes Halls Tanners Limited
(Under a Voluntary Arrangement)

Supervisor's Abstract Of Receipts And Payments
To 21 May 2007

RECEIPTS	Total (£)
Freehold Land & Property	345,000 00
Book Debts	1,655 52
Insurance Refund	3,250 41
Contribution from Company	510,000 00
Rates Refund	17,271 04
Payment From Hartside Ltd	103,975 78
Bank Interest	98,869 25
	<u>1,080,022 00</u>

PAYMENTS	
Nominees Fees	9,523 00
Nominees expenses	876 93
Payment to Hartside Ltd	8,896 25
Supervisors Fees	100,000 00
Legal Fees	75,138 92
Legal Fees expenses	185 64
Professional Fees - Tax Advice	3,300 00
Ongoing Funding	107,500 00
Storage Costs	1,170 65
Insurance of Assets	7,496 31
Bank Charges	20 00
1st & Final Pref Div 100p in œ	72,869 34
VAT Receivable	31,967 82
	<u>418,944 86</u>
Balance	<u>661,077 14</u>

MADE UP AS FOLLOWS

Current Account	103 49
Moneymaster Account	4,349 88
One Month Money Market	656,623 77
	<u>661,077 14</u>