

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number	0	4	0	8	9	2	0	8
Company name in full	House of Fraser (Finance) Limited							

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

2 Liquidator's name

Full forename(s)	Derek Neil
Surname	Hyslop

3 Liquidator's address

Building name/number	1 Bridgewater Place
Street	Water Lane
Post town	Leeds
County/Region	West Yorkshire
Postcode	L S 1 1 5 Q R
Country	United Kingdom

4 Liquidator's name ①

Full forename(s)	Craig Anthony
Surname	Lewis

① **Other liquidator**
Use this section to tell us about
another liquidator.


5 Liquidator's address ②

Building name/number	1 Bridgewater Place
Street	Water Lane
Post town	Leeds
County/Region	West Yorkshire
Postcode	L S 1 1 5 Q R
Country	United Kingdom

② **Other liquidator**
Use this section to tell us about
another liquidator.

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6	Period of progress report															
From date	d	2	d	2	m	1	m	1	y	2	y	0	y	2	y	1
To date	d	2	d	1	m	1	m	1	y	2	y	0	y	2	y	2
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	Signature 															
Signature date	d	1	d	8	m	0	m	1	y	2	y	0	y	2	y	3

**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 **Mark Chapman**

Company name **Ernst &Young LLP**

Address **1 Bridgewater Place**

Water Lane

Post town **Leeds**

County/Region **West Yorkshire**

Postcode

	L	S	1	1		5	Q	R
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Country **United kingdom**

DX

Telephone **+44 113 298 2602**

**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

TO ALL MEMBERS AND ALL CREDITORS
WHO ARE NOT OPTED OUT

18 January 2023

Ref: HOFF01
Mark Chapman
Direct line: +44 113 298 2602
Email: mark.chapman@parthenon.ey.com

House of Fraser (Finance) Limited (in Creditors' Voluntary Liquidation) ("the Company")

Dear Sir or Madam

Craig Lewis and I were appointed as Joint Liquidators of the Company on 22 November 2018. I now write to provide you with our report on the progress of the liquidation for the period from 22 November 2021 to 21 November 2022. This report should be read in conjunction with our progress reports dated 16 January 2020, 19 January 2021 and 19 January 2022.

At Appendix A of this report we provide information about the Company and the Liquidators. A copy of our receipts and payments account for the period from 22 November 2021 to 21 November 2022 is at Appendix C.

Progress during the period of the report

Assets

As previously reported, a claim of £12,990,554 was submitted in the Administration of HF Stores Realisations Limited ("HF Stores"). During the period covered by this report the sum of £18,097.67 was received in respect of a dividend distribution from the Administration of HF Stores in relation to the Company's aforementioned claim.

A further sum of £176.20 was received in respect of cash held in a pre-liquidation bank account in the Company's name.

Total asset realisations in the liquidation to date are £18,273.87 and no further realisations are anticipated.

Liabilities

The Statement of Affairs showed the Company as owing the sum of £410,096,064 to secured and unsecured creditors.

A notice was advertised in the London Gazette for any persons claiming to be creditors of the Company to submit their claims by 28 December 2018.

A claim in the sum of £9,499,999.46 has been received from the Joint Liquidators of House of Fraser (UK & Ireland) Acquisitions Limited, which entered creditors' voluntary liquidation on 4 October 2019.

As previously reported, HSBC Corporate Trustee Company (UK) Limited ("HSBC") holds debentures registered against the Company and other House of Fraser companies under the terms of a cross

guarantee. We understand that HSBC submitted a claim in respect of its security in the Administrations of HF Stores and HFL Realisations Limited. As a consequence of these claims and under the terms of the cross guarantee, HSBC also has a claim against the Company. This claim was included in the statement of affairs by the Company's directors in the sum of £400,000,000. This amount is yet to be confirmed.

It is customary in a liquidation to seek confirmation from the relevant Crown authorities that they have no claim in respect of tax matters and no objection to the conclusion of the liquidation. No objections have been received from HM Revenue & Customs in this respect.

Work which remains to be done

On the basis that asset realisations have concluded, the funds held in the liquidation estate account will be used to part settle the outstanding costs of the liquidation as agreed by creditors. On the basis that there will be no return to any class of creditors, the Joint Liquidators will then take steps to conclude the liquidation.

Notice of no dividend

Based on the level of asset realisations, the Joint Liquidators' remuneration and the level of creditor claims, there will be no surplus funds available to distribute to any class of creditor.

Accordingly, notice pursuant to rules 14.36 and 14.37 of the Insolvency (England and Wales) Rules 2016 that no dividend will be declared in respect of any class of creditor claims is enclosed at Appendix B.

Joint Liquidators' remuneration

Our remuneration was fixed on a time cost basis as a fixed sum of £20,000 plus VAT by a resolution of the creditors on 22 November 2018.

During the period covered by this report we have incurred time costs of £9,367 plus VAT. Our time costs in the liquidation to date are £32,909.04 plus VAT. No amounts have been drawn in respect of the Joint Liquidators' time costs.

At Appendix D to this report there is an analysis of the time spent, an explanation of the work done and a comparison with the fee estimate dated 12 November 2018.

As at the date of this report, the liquidators' remuneration has exceeded the fee estimate by £12,909.04 plus VAT due to additional work incurred in relation to realisation of assets and statutory reporting. No amounts have been drawn in this respect and these time costs will be written off.

Joint Liquidators' statement of expenses incurred

No expenses have been incurred during the period covered by this report.

Creditors' rights to further information about, and challenge, remuneration and expenses

The statutory provisions relating to remuneration are set out in Chapter 4 of Part 18 of the Insolvency (England and Wales) Rules 2016. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Liquidators' Fees', a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to the Joint Liquidators.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Liquidators' Fees' referred to above.

Investigations

The Joint Liquidators have undertaken an investigation into the Company's affairs pursuant to Statement of Insolvency Practice Number 2 (investigations by Office Holders) and the Company Directors Disqualification Act 1986.

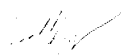
A confidential return on the conduct of all persons who were directors, shadow or de-facto directors of the Company during the three years prior to our appointment was submitted to the Insolvency Service.

Other matters

We will report to creditors again in 12 months' time or at the conclusion of the liquidation, whichever is sooner.

Should you wish to discuss any matters arising from this report, please do not hesitate to contact Mark Chapman on the contact details shown above.

Yours faithfully
for the Company



Derek Hyslop
Joint Liquidator

D N Hyslop and C A Lewis are licenced in the United Kingdom to act as insolvency practitioners by the Insolvency Practitioners Association and the Institute of Chartered Accountants in England and Wales respectively.

The Joint Liquidators 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 Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

House of Fraser (Finance) Limited (in Creditors' Voluntary Liquidation) ("the Company")

Information about the Company and the Liquidators

Registered office address of the Company:	1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Registered number:	04089208
Date of appointment of the Joint Liquidators:	22 November 2018
Details of any changes of liquidator:	None
Full names of the liquidators:	Derek Neil Hyslop and Craig Anthony Lewis
Office holder numbers:	9970 and 9356
Liquidators' address:	Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Telephone number:	+44 113 298 2602
Name of alternative person to contact with enquiries about the case:	Mark Chapman

**House of Fraser (Finance) Limited (in Creditors' Voluntary Liquidation)
("the Company")**

Notice of no dividend in winding up – Rules 14.36 and 14.37, Insolvency (England and Wales) Rules 2016

Registered name of the Company:	1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Registered office address of the Company:	04089208
Registered number:	22 November 2018
Date of appointment of the Joint Liquidators:	None
Details of any changes of liquidator:	Derek Neil Hyslop and Craig Anthony Lewis
Full names of the liquidators:	9970 and 9356
Office holder numbers:	Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Liquidators' address:	1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Telephone number:	+44 113 298 2602
Name of alternative person to contact with enquiries about the case:	Mark Chapman

Notice is hereby given pursuant to Rules 14.36 and 14.37 of the Insolvency (England and Wales) Rules 2016, that no dividend will be declared in respect of any class of creditor claims in this liquidation for the reason that the funds realised have been used for paying the expenses of the liquidation.

Dated: 18 January 2023



Derek Neil Hyslop
Joint Liquidator

House of Fraser (Finance) Limited (in Creditors' Voluntary Liquidation) ("the Company")

Joint Liquidators' receipts and payments account for the period from 22 November 2021 to 21 November 2022

Statement of affairs Estimated to Realise Values		To 21 November 2021	In the Report Period	Cumulative Total
£		£	£	£
	Receipts			
Nil	Intercompany debtor – HF Stores	Nil	18,097.67	18,097.67
Nil	Cash at bank	Nil	176.20	176.20
Nil		Nil	18,273.87	18,273.87
	Payments			
Nil		Nil	Nil	Nil
Nil		Nil	Nil	Nil
Nil	Balance at bank	Nil	18,273.87	18,273.87

Notes

1. Receipts and payments are stated net of VAT.
2. Funds received have been held in a non-interest-bearing account.

House of Fraser (Finance) Limited (in Creditors' Voluntary Liquidation) ("the Company")

Joint Liquidators' time costs for the period from 22 November 2021 to 21 November 2022

	Staff Grade							Total Hours	Total Cost £	Average Rate £
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive	Analyst			
Administration & Planning	-	-	-	-	-	8.5	5.9	14.4	5,201.00	361.2
Debtors	-	-	1.1	-	-	-	-	1.1	942.00	856.4
Realisations of Assets	-	-	-	-	-	2.0	1.7	3.7	1,297.00	350.5
Statutory Duties	-	-	-	-	-	3.9	0.9	4.8	1,927.00	401.5
Total Hours	-	-	1.1	-	-	14.4	8.5	24.0		
Time Costs (£)	-	-	942.00	-	-	6,335.00	2,090.00		9,367.00	
Average Hourly Rate (£)	-	-	856.4	-	-	439.9	245.9		390.3	

Joint Liquidators' time costs for the period from 22 November 2018 to 21 November 2022

	Staff Grade							Total Hours	Total Cost £	Average Rate £
	Partner	Associate Partner	Director	Assistant Director	Manager	Executive	Analyst			
Administration & Planning	-	-	-	-	-	19.7	9.7	29.4	9,448.04	321.4
Debtors	-	-	1.6	-	-	0.3	-	1.9	1,350.50	710.8
Enquiries & Investigations	-	-	1.0	-	-	11.3	-	12.3	4,327.50	351.8
Immediate Tasks	-	-	6.0	-	-	5.8	-	11.8	5,815.00	492.8
Realisations of Assets	-	0.1	-	-	-	10.3	2.7	13.1	3,872.00	295.6
Reporting	-	1.0	0.3	-	-	-	-	1.3	1,039.00	799.2
Statutory Duties	-	-	-	-	-	19.1	2.3	21.4	6,635.50	310.1
VAT & Taxation	-	-	-	-	-	1.5	-	1.5	421.50	281.0
Total Hours	-	1.1	8.9	-	-	68.0	14.7	92.7		
Time Costs (£)	-	895.50	6,088.50	-	-	22,556.54	3,378.50		32,909.04	
Average Hourly Rate (£)	-	814.1	684.1	-	-	331.7	229.8		355.0	

Comparison with the Fee Estimate dated 12 November 2018

	Per Fee Estimate			Actual in this report period			Total actual to date		
	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)	Total hours	Total costs (£)	Average rate (£)
Administration & Planning	10.0	3,288.0	329	14.4	5,201.00	361	29.4	9,448.04	321
Creditors	6.0	2,450.0	408	-	-	-	-	-	-
Debtors	-	-	-	1.1	942.00	856	1.9	1,350.5	711
Enquiries & Investigations	16.0	6,380.0	399	-	-	-	12.3	4,327.5	352
Immediate Tasks	-	-	-	-	-	-	11.8	5,815.0	493
Job Acceptance & Strategy	2.0	1,435.0	718	3.7	1,297.00	351	-	-	-
Realisations of Assets	-	-	-	-	-	-	13.1	3,872.0	296
Reporting	14.0	5,870.0	419	4.8	1,927.00	401	1.3	1,039.0	799
Statutory Duties	10.0	3,275.0	328	-	-	-	21.4	6,635.5	310
VAT & Taxation	3.5	1,338.0	382	-	-	-	1.5	421.5	281
Total	61.5	20,770.0	338	24.0	9,367.0	390	92.7	32,909.04	355

Explanation of the work done

We have provided below a summary of the work that has been required in the liquidation to date:

- ▶ Administration & Planning - general administrative duties and overall management of the case, such as filing and maintaining the Joint Liquidators' accounting records and files.
- ▶ Debtors - making enquiries into the Company's asset position in relation to intercompany debtor balances due from group companies and potential recoveries in respect of the same.
- ▶ Enquiries & Investigations - carrying out investigations required by Statement of Insolvency Practice No. 2, preparation and submission of return to the Directors' Conduct Reporting Service and considering any issues which the Joint Liquidators are made aware of by creditors or other parties.
- ▶ Immediate Tasks - time spent in completing immediate on appointment duties and filings following the appointment of the Joint Liquidators.
- ▶ Realisation of Assets - making enquiries into the company's asset position and determining whether asset realisations are achievable in the liquidation. Collecting the intercompany debtor and cash at bank balances.
- ▶ Reporting - preparing statutory reports to members and creditors including annual progress reports and filing of documents at Companies House.
- ▶ Statutory Duties - time spent in complying with statutory matters throughout the duration of the liquidation, ensuring filings with Companies House are completed in a timely manner as required by statute and professional practice standards.
- ▶ **VAT & Taxation** - investigating the Company's VAT and corporation tax position up to the date of appointment. Notifying HM Revenue & Customs of the liquidation and seeking confirmation there are no objections to the conclusion of the liquidation.