

The Insolvency Act 1986

Liquidator's Progress Report

S.192

Pursuant to section 192 of the Insolvency Act 1986

To the Registrar of Companies

For official use



Company Number

02088415

Name of Company

(a) Insert full name of company

(a) DTZ Holdings plc

(b) Insert full name(s) and address(es)

We, (b) Alan Michael Hudson
Ernst & Young LLP
1 More London Place
SE1 2AF

Benjamin Thom Cairns
Ernst & Young LLP
1 More London Place
SE1 2AF

the liquidators of the company attach a copy of our Progress Report under section 192 of the Insolvency Act 1986

The progress report covers the period from 2 October 2013 to 1 October 2014

Signed

Date

19.11.14

Presenter's name, address and reference (if any)

Shivam Dosa
Ref MLP 7E/SD/FL/MC/AH/BCLO1262/PCF
Ernst & Young LLP
1 More London Place
SE1 2AF

For Official Use

Liquidation Section

Post Room

SATURDAY



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TO ALL MEMBERS AND CREDITORS

19 November 2014

Ref MLP 7E/SD/FL/MC/AH/BCLO1262/PCF

Direct line 020 7951 7229
Direct Fax 020 7951 9232
Florence Lightfoot

email Mcoomber@uk.ey.com

Dear Sirs

DTZ Holdings Plc (In Creditors Voluntary Liquidation) (“the Company”)

As you are aware, the administration of the Company was converted to a creditors' voluntary liquidation on 2 October 2012 and Alan Hudson and I became the Joint Liquidators of the Company by virtue of the provisions of paragraph 83 of Schedule B1 to the Insolvency Act 1986

I now write to provide you with our report on the progress of the liquidation for the period from 2 October 2013 to 1 October 2014

In accordance with the provisions of the Insolvency Rules 1986 we are required to provide certain information about the Company and the Joint Liquidators. The information can be found in Appendix A of this report. A copy of our receipts and payments account for the period from 2 October 2013 to 1 October 2014 is at Appendix B

Progress during the period of the report

Escrow Monies

As previously reported, a pre agreed sale of the Company's assets took place prior to the Company entering administration. The sale agreement required that part of the consideration, amounting to £15.3 million, should be held in an escrow account for three years from 4 December 2011. The monies were to be used to settle two contingent liabilities, should they arise in the period.

As outlined in my previous report, a sum of £1,744,231 was released from the Escrow account by Linklaters LLP in August 2013. The remaining funds less the amount repayable to the purchaser and any fees are due to be released in December 2014. This matter is strictly confidential and subject to common interest privilege, as such no further details can be disclosed in this report.

Company Stock Position

The Company received dividends totalling £24 during the reporting period in relation to its shareholding in Henderson Group plc. It is anticipated that the Henderson Group plc stocks will be realised in the near future.



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Summary Receipts and Payments

In the period covered by this report, a total of £1,127 has been received in bank interest and charges of £6 have been incurred

There have been no further receipts or payments

Distributions

Secured Creditors

As previously reported, the secured creditor of the Company received total distributions of £79.52 million in the Administration and £1.7 million in the liquidation to date. The final outcome for the secured creditor is dependent on the outcome of the monies held in escrow. These monies are captured by the secured creditor's charge and as such, any surplus funds received by the Company will be distributed to the secured creditor.

There have been no distributions to the secured creditor during the reporting period.

Preferential Creditors

There are no preferential creditors.

Unsecured Creditors

As per my last progress report, unsecured creditor claims totalling £19,530,366 were received in the Administration and Liquidation. These claims were adjudicated by the Joint Liquidators and claims in the sum of £17,543,205 were agreed.

The only distribution available to unsecured creditors is in respect of the prescribed part.

The Prescribed Part

The value of the prescribed part will be the statutory maximum amount of £600,000, before the costs of dealing with the prescribed part.

There was a first interim distribution in February 2013, representing a return of 2.96p in the £1 to the unsecured creditors of the Company.

A second and final prescribed part dividend is anticipated in the next three months.

Shareholders

Pursuant to the Insolvency Act 1986, creditor claims rank in priority to all shareholder claims. In the circumstances of the Company, there is a significant shortfall to the creditors and therefore no return is expected to the Company's shareholders.



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Joint Liquidators' remuneration and expenses

The Joint Liquidators' remuneration was fixed on a time-cost basis by the secured creditor in the Administration and by the unsecured creditors at a meeting of creditors on 31 May 2013, in respect of the prescribed part

The Joint Liquidators and their staff have incurred time costs of £4,930 in the period 2 October 2013 to 1 October 2014, preparing for the second and final prescribed part dividend. These fees are yet to be paid.

The Joint Liquidators and their staff have incurred time costs amounting to £27,527 in dealing with all other aspects of the liquidation, with the exception of the prescribed part. We have not sought approval to draw these fees from the Secured Creditor at this time.

At Appendix D to this report there is an analysis of the time spent, a summary of work carried out and a statement of our policy in relation to charging time and disbursements.

Joint Liquidators' statement of expenses incurred

The Joint Liquidators' have not incurred any expenses in this reporting period.

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

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if creditors consider the costs to be excessive. Further information is provided in Appendix C.

Other Matters

Please note that the liquidation will remain open pending further realisations in relation to those monies which are currently held in escrow. I anticipate any escrow monies to be realised and distributed in accordance with the agreement by the end of this year.

As reported above, I am currently in the process of realising the Company's Henderson Group Plc shareholding and anticipate the sale to be completed shortly.

Once the above matters have been finalised and all costs settled, I will be in a position to request tax clearance and conclude the liquidation.



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If you require any additional information, please do not hesitate to contact either
Matthew Coomber or Shivam Dosa on the above direct line

Yours faithfully
for the Company

A handwritten signature in black ink, appearing to be 'B T Cairns', is written over a horizontal line.

B T Cairns
Joint Liquidator

Alan Michael Hudson is licensed in the United Kingdom to act as an insolvency practitioner by The Association of Chartered Certified Accountants and Benjamin Thom Cairns is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants in England and Wales

We may collect, use, transfer, store or otherwise process (collectively, "Process") information that can be linked to specific individuals ("Personal Data") We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act 1998



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DTZ Holdings Plc (In Creditors Voluntary Liquidation) (“the Company”)

Information about the company and the liquidators

Registered office address of the company	C/O Ernst & Young LLP 1 More London Place London SE1 2AF
Registered number	02088415
Full names of the liquidators	Alan Michael Hudson and Benjamin Thom Cairns
Liquidators' address(es)	Ernst & Young LLP 1 More London Place SE1 2AF
Date of appointment of the Joint Liquidators	2 October 2012
Details of any changes of liquidator	None



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DTZ Holdings Limited (In Creditors' Voluntary Liquidation)
Joint liquidators' receipts and payments account for the period 2 October 2013 to 1 October 2014

	2 October 2012 to 1 October 2013	2 October 2013 to 1 October 2014	Total as at 1 October 2014
	£	£	£
Fixed/Floating charge receipts			
Cash Taken Over	309,512	-	309,512
Bank Interest	3,178	1,127	4,305
Admin VAT Refund	26,182	-	26,182
Escrow Account One - Final Payment	1,744,231	-	1,744,231
Dividend Income	87	24	111
Total Receipts	2,083,190	1,151	2,084,341
Fixed / Floating charge payments			
Legal Fees	(26,755)	-	(26,755)
Joint Liquidators Fees	(74,331)	-	(74,331)
Bank Charges	(17)	(6)	(23)
Escrow Account Distribution to Secured Creditor	(1,744,231)	-	(1,744,231)
Total Payments	(1,845,334)	(6)	(1,845,340)
Fixed/Floating charge funds held	237,856	1,145	239,001
Prescribed Part receipts			
Cash Taken Over	600,000	-	600,000
Total Receipts	600,000	-	600,000
Prescribed Part payments			
Interim Dividend	(520,000)	-	(520,000)
Joint Liquidators' Fees	(12,907)	-	(12,907)
Total Payments	(532,907)	-	(532,907)
Prescribed Part funds held	67,093	-	67,093
Total funds held as at 1 October 2014	304,949	1,145	306,094
Made up as follows			
Input VAT			-
Funds in Hand			306,094
			306,094



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Creditor's rights to request further information about remuneration or expenses or to challenge a liquidator's remuneration – Rules 4.49E and 4.131 of the Insolvency Rules 1986 (as amended)

4 49E Creditors' request for further information

- (1) If—
 - (a) within the period mentioned in paragraph (2)—
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (iii)(b) with the permission of the court upon an application made within the period mentioned in paragraph (2)—
 - (i) any unsecured creditor, or
 - (ii) makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B(1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108
 - (2) The period referred to in paragraph (1)(a) and (b) is—
 - (a) 7 business days of receipt of the progress report where it is required by Rule 4 108, and
 - (b) 21 days of receipt of the report or draft report in any other case
 - (3) The liquidator complies with this paragraph by either—
 - (a) providing all of the information asked for, or
 - (b) so far as the liquidator considers that—
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,
- giving reasons for not providing all of the information
- (4) Any creditor, who need not be the same as the creditors who asked for the information, may apply to the court within 21 days of—
 - (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),
- and the court may make such order as it thinks just
- (5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131(1B) or 4 148C(2) by such further period as the court thinks just
 - (6) This Rule does not apply where the liquidator is the official receiver



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4.131 Creditors' claim that remuneration is or other expenses are excessive

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that—

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
- (c) expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

(3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

- (a) an order reducing the amount of remuneration which the liquidator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced rate or amount,
- (c) an order changing the basis of remuneration,
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
- (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation

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DTZ Holdings Plc (In Creditors Voluntary Liquidation) ("the Company")

Joint Liquidators' time costs for the period from 2 October 2013 to 1 October 2014

Classification of work function	Partner / Director (Hours)	Manager (Hours)	Other Senior Professionals (Hours)	Assistants & Support (Hours)	Total hours this reporting period	Average Hourly Rate (£)	Time Costs for period 02/10/13 to 01/10/2014 (£)
Bank & Statutory Reporting		1 5			1 5	440 00	660 00
Members		5 8	4 3	0 5	10 6	384 34	4,074 00
Other Matters		0 3			0 3	460 00	138 00
Statutory Duties		3 1		2 3	5 4	336 67	1,818 00
VAT & Taxation	0 6	2 4	4 1	4 1	11 2	382 15	4,280 07
Creditors (Mandatory)		0 7	10 2		10 9	332 57	3,625 00
Accounting and Administration		6 6	12 6	25 6	44 8	271 07	12,143 72
Other Assets (Mandatory)		0 9	1 1		2 0	394 00	788 00
Grand Total	0 6	21 3	32 3	32 5	86 7	317 49	27,526 79

SIP9 Analysis of Prescribed Part time costs for the period 2 October 2013 to 1 October 2014

Classification of work function	Manager (Hours)	Other Senior Professionals (Hours)	Assistants & Support (Hours)	Total hours this reporting period	Average Hourly Rate (£)	Time Costs for period 02/10/13 to 01/10/2014 (£)
Prescribed Part	4 7	1 8	11 4	17 9	275 42	4,930 00
Grand Total	4 7	1 8	11 4	17 9	275 42	4,930 00

Liquidators' charging policy for remuneration

The secured creditor has determined that the Administrators' remuneration should be fixed on the basis of time properly spent by the office holders and their staff in attending to matters arising. This resolution continues in to the Liquidation and is applicable to the Joint Liquidators and their staff.

The liquidators have engaged a manager and other staff to work on the cases. 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 liquidators.

All time spent by staff working directly on case-related matters is charged to a separate time code established for each case. 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. Please note that the current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by this report.

Job title	From 01-Jul-13 (£)	From 01-Jul-14 (£)
Partner	850	895
Executive Director	815	855
Director	695	730
Assistant Director	595	625
Senior Executive	440	460
Executive	325	340
Assistant Executive	295	310
Business Trainee	180	190
Accounting & Treasury Execs	235	245

Please note that these rates are subject to annual review on 1 July



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Disbursements

Statement of Insolvency Practice No 9 divides disbursements into two categories

Category 1 disbursements are defined as specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No 9, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

As previously reported, to date Category 1 disbursements totalling £506 have been incurred by the Company, in respect of in relation to statutory advertising.

Category 2 disbursements are charges made by the office holder's firm that include elements of shared or overhead costs. Such disbursements are subject to approval from the secured creditor as if they were remuneration.

It is our policy, in line with the Statement, to seek approval for Category 2 disbursements before they are drawn.

No Category 2 disbursements have been incurred by the Company to date.