

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 0 0 0 1 1 2 5

Company name in full Kvaerner E&C Holdings Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Guy Robert Thomas

Surname Hollander

3 Liquidator's address

Building name/number 30 Old Bailey

Street

Post town London

County/Region

Postcode E C 4 M 7 A U

Country

4 Liquidator's name ①

Full forename(s) Adam

Surname Harris

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 30 Old Bailey

Street

Post town London

County/Region

Postcode E C 4 M 7 A U

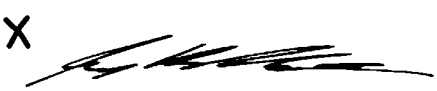
Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	2	^d	8	^m	0	^m	5	^y	2	^y	0	^y	2	^y	2
To date	^d	2	^d	7	^m	0	^m	5	^y	2	^y	0	^y	2	^y	3
7	Progress report															
	<input checked="" type="checkbox"/> The progress report is attached															
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	2	^d	7	^m	0	^m	7	^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 Jolyon Wheller

Company name Mazars LLP

Address 30 Old Bailey

Post town London

County/Region

Postcode EC4M7AU

Country

DX

Telephone +44 (0)207 063 4000

**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



Kvaerner E&C Holdings Limited (In Liquidation) ("The Company")

The Liquidators' Progress Report for the period 28 May 2022 – 27 May 2023

27 July 2023

Contents and abbreviations

Section	Contents
1.	Introduction
2.	Executive summary
3.	Progress in the Period
4.	Estimated outcome for the creditors
5.	Liquidators' remuneration, disbursements, and expenses
Appendix	Content
A.	Statutory Information about the Company and the Liquidation
B.	Receipts and Payments Account and Estimated Outcome Statement

The following abbreviations are used in this report

Mazars	Mazars LLP
The Company	Kvaerner E&C Holdings Limited - (In Liquidation)
The Liquidators	Guy Hollander and Adam Harris of Mazars LLP
The Period	The reporting period 28 May 2022 – 27 May 2023
CVL	Creditors Voluntary Liquidation
SIP	Statement of Insolvency Practice
HMRC	HM Revenue & Customs
R&P Account	Receipts & Payments Account
The Group	16 associated Companies
THGS	TH Group Services Limited – in Liquidation
EOS	Estimated Outcome Statement

1. Introduction

Purpose of the report

This report has been prepared in accordance with section 104A of the Insolvency Act 1986, to provide creditors with details of the progress made during the Period.

Identification details relating to the Company and the Liquidators are attached at Appendix A.

Further guidance

General information regarding a creditor's role during the liquidation process can be found at www.creditorinsolvencyguide.co.uk.

For specific enquiries relating to this matter, please do contact Jolyon Wheller on +44 (0) 207 063 4793.

2. Executive summary

Outstanding matters

As outlined in section 3 of this report, the only matters preventing the conclusion of this case are:

- Await a recovery in respect of the closure of a joint venture investment, further details of which can be found in this report;
- Adjudication of claims; and
- Paying a distribution to creditors.

Liquidators' remuneration

The basis of the Liquidators' remuneration was approved by the creditors in accordance with the Insolvency Rules on 1 October 2018. Further details can be found in this report.

Dividend Prospects

As previously advised, the process of calculating the distributions within the Group is complex given the significant number and quantum of the intercompany claims, as assets available for distribution within one company depend on the value of its claims against other companies, and vice versa. A modelling exercise was carried out and Counsel's advice was obtained.

On the basis of the above, we concluded with the directors and their legal adviser that it was appropriate to consolidate the estates across all 16 companies given the complexities of making distributions across the various estates. The model demonstrated that there would have to be in excess of 14,000 distributions to undertake if the exercise was completed manually.

Based on the advice and the results of the modelling exercise, we concluded that the most efficient way to make the distribution was through THGS that had held the majority of the cash across the Group. Accordingly, THGS will be paying distributions to all third party, unsecured creditors across the Group.

Based on our EOS, attached at Appendix B, the estimated dividend to third party, unsecured creditors across the Group is 2%.

The Liquidators are currently considering making an interim distribution while awaiting the final funds from the joint venture, further information on which can be found later in this report.

Estimated time frame for closure

Based on the outstanding matters still to conclude, it is estimated that the Liquidation will be closed within 12 months.

3. Progress in the Period

R&P Account and EOS

As all of the Group funds are held in the account for THGS, we have attached a Group R&P Account together with our EOS as at 27 May 2023 at Appendix B.

Connected Party Transactions

In accordance with Statement of Insolvency Practice 13, I confirm that there have been no transactions with connected parties during the period of this report.

Transfers from Group companies

During the period, additional funds of £62 were paid to the THGS account in respect of surplus balances in other Group companies.

A further £57,145 was received from the liquidation of TH U.S. Holdings Limited, another Group liquidation that had previously been dissolved, but for which we were reappointed by the Court to take receipt of funds owed to the company.

Joint Venture Agreement

One of the Group companies, Kvaerner Engineering & Construction UK Limited ("KECUK") has a beneficial interest in a joint venture in Malaysia with Gammon Construction Limited ("Gammon"), for which KECUK is entitled to 45.5% of the profits.

The original agreement was made between Gammon and Kvaerner Construction International Limited ("KCIL") (now known as Skanska

Cementation International Limited ("SCIL")). KECUK's entitlement follows a sale of part of the Kvaerner group to Skanska in 2000 and is by way of a Deed dated 2 November 2000 between KCIL and KECUK that the latter would carry out the works with the former holding any monies on trust for KECUK.

The limitation period for the joint venture has expired and we are working with both SCIL and Gammon to finalise the dissolution agreement and receive the amount for the benefit of the Group liquidations.

Current indications are that the amount (once converted from Hong Kong Dollars) will be in the region of £90,000, before any costs.

Investigations

Our work in respect of Investigations has been reported in prior reports and concluded. Accordingly, it has not been necessary to undertake further work in this area. However, should creditors have any information which they consider may assist the Liquidators in carrying out their investigations, or be aware of any matters which they believe should be brought to the attention of the Liquidators, please provide details in writing to this office.

4. Liquidators' remuneration and expenses

Remuneration

It should be noted that following the approval of a fixed fee in the liquidation of THGS on 1 October 2018, all billing across the Group has been done under this fixed fee and no time has been charged to the individual Group companies.

The time costs incurred in dealing with the Group liquidations have now far exceeded the agreed fixed fee of £100,000 plus VAT and it is therefore intended that a request for an increase fee be issued to creditors before a dividend is paid. Further details will be provided to creditors at that time.

Expenses

Expenses are any payments from the estate which are neither remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the liquidator, and then reimbursed to the liquidator from the estate.

Expenses are divided into category 1 and category 2 expenses. Category 1 expenses are payments to non-associates of Liquidators and can be paid without prior approval.

Category 2 expenses are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as remuneration. Approval for these expenses was provided by the creditors on 1 October 2018.

Any expenses are paid through THGS for the reasons explained above.

The Liquidators have reviewed the expenses incurred to date and are satisfied that they are fair and reasonable and proportionate in the circumstances of the case.

4. Liquidators' remuneration and expenses

Important information regarding creditors' rights

The following creditors can ask the Liquidators for further information about the remuneration and expenses set out in this progress report:

- a secured creditor; or
- an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors; or
- an unsecured creditor with permission of the Court

All requests for such further information must be made within 21 days following the receipt of this report.

Creditors can also apply to Court on the basis that the Liquidators' remuneration, the basis of the remuneration or the expenses incurred in the Period are excessive or inappropriate. The concurrence required is at least 10% in value of the unsecured creditors.

In accordance with SIP9, creditors can find additional information on their rights relating to Liquidators' remuneration in a copy of the publication "A creditors guide to Liquidators' fees which is available to download from the

website: <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/>

Alternatively, a hard copy of the relevant guide will be sent to you on request.



G R T Hollander
Joint Liquidator

Dated 27 July 2023

Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at:

www.mazars.co.uk/Legal-and-privacy.

Appendix A – Identification Details

Details relating to the Company:

Company name	Kvaerner E&C Holdings Limited
Company number	00001125
Registered office	30 Old Bailey, London, EC4M 7AU
Trading address	Betchworth House, 57-65 Station Road, Redhill, Surrey, RH1 1DL

Details relating to the Liquidators:

Names	Guy Hollander and Adam Harris
Date of appointment	28 May 2014
Method of appointment	Decision of the creditors
Authorising body	Guy Robert Thomas Hollander is authorised by the ICAEW and their authorisation number is 009233. Adam Harris is authorised by the ICAEW and their authorisation number is 015454.
Previous liquidator	Neil Mather formerly of Mazars LLP.
Liquidators' Address	Mazars LLP, 30 Old Bailey, London, EC4M 7AU
Liquidators' Contact telephone number	+44 (0)207 063 4000

Appendix B – Liquidators' Receipts and Payments Account and Estimated Outcome Statement

TH Group Services Limited (in liquidation) and connected companies
Joint Liquidators' Estimated Outcome Statement for The Group
as at 27 May 2023

	Total R&P to 27 May 2023 (£)	Estimated Future R&P (£)	Total Estimated R&P (£)
Asset Realisations			
KECUK - Joint Venture with Gammon	0	90,000	90,000
Cash at bank	423,103	-	423,103
Bank charge refund	73	-	73
Bank interest	6,890	-	6,890
Transfers from Group liquidations	350,316	-	350,316
Funds Received from Solicitors	12,019	-	12,019
	<u>792,400</u>	<u>90,000</u>	<u>882,400</u>
Cost of Realisations			
Liquidators' remuneration and disbursements	100,815	-	100,815
Legal fees and disbursements	-	7,608	7,608
Storage costs	4,510	2,000	6,510
Bank charges	25	-	25
Statutory Advertising	254	-	254
Agents Fees	200	-	200
	<u>105,804</u>	<u>9,608</u>	<u>115,412</u>
Balance available to unsecured creditors	<u>686,596</u>	<u>80,392</u>	<u>766,988</u>
Estimated unsecured creditors*			(42,432,058)
Estimated total recover to unsecured creditors as a %			<u>2%</u>

*This figure is made up of third party claims received to date, along with the claim from the bankruptcy trustees of Clavis Maris Finlandiae Oy