

AM23

Notice of move from administration to dissolution



Companies House

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

1 Company details

Company number 00396137

Company name in full Hollander Hyams Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name High Court of Justice, Business & Property Courts of England & Wales, Insolvency & Companies List (ChD)

Court number 00104820

3 Administrator's name

Full forename(s) Martha

Surname Thompson

4 Administrator's address

Building name/number 55

Street Baker Street

Post town London

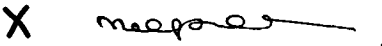

County/Region

Postcode W1U7EU

Country

AM23

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5	Administrator's name ①		
Full forename(s)	Sarah		① Other administrator Use this section to tell us about another administrator.
Surname	Rayment		
6	Administrator's address ②		
Building name/number	55		② Other administrator Use this section to tell us about another administrator.
Street	Baker Street		
Post town	London		
County/Region			
Postcode	W 1 U 7 E U		
Country			
7	Final progress report		
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report		
8	Sign and date		
Administrator's signature	Signature 		
Signature date	d 1 d 6 m 0 m 2 y 2 y 0 y 2 y 2		

**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 **Martha Thompson**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode

L

2

5

R

H

Country

DX

Telephone

**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



Hollander Hyams Limited In Administration

Joint Administrators' final progress report from
18 August 2021 to 15 February 2022

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GLOSSARY OF TERMS

Abbreviation or term	Meaning
'HMRC'	HM Revenue & Customs
'Joint Administrators' or 'we'	Martha Thompson and Sarah Rayment
'Final Period'	18 August 2021 to 15 February 2022
'net property'	Floating charge realisations after costs and payment of preferential creditors in full
'preferential creditors'	Claims for unpaid wages earned in the four months prior to Administration up to £800, holiday pay and unpaid pension contributions in certain circumstances
'Prescribed Part'	Where a company has granted a floating charge after 15 September 2003, under Section 176A of the Act a proportion of the net property available to a QFCH is set aside for the unsecured creditors of that company
'Proposals'	The Joint Administrators' statement of proposals for achieving the purpose of the Administration
'QFCH'	Qualifying Floating Charge
'Sch.B1 to the Act'	Schedule B1 to the Act
'secured creditors'	Creditors whose debt is secured, in accordance with section 248 of the Act
'the Act'	Insolvency Act 1986
'the Bank'	Barclays Bank Plc
'the Final Progress Report'	Prepared in accordance with Rules 3.53 and 18.3 of the Rules
'the Rules'	Insolvency (England and Wales) Rules 2016
'unsecured creditors'	Creditors who are neither secured nor preferential

KEY INFORMATION

Background

Martha Thompson was appointed as Joint Administrator of the Company on 18 February 2020. Sarah Rayment was appointed as Joint Administrator of the Company on 14 September 2020.

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company and without personal liability.

Purpose of this report

This is the Final Progress Report which provides you with a final update of the implementation of the Proposals and statutory purpose of the Administration achieved.

This Final Progress Report can be reviewed in conjunction with all other reports regarding this Administration, on the brportal.bdo.co.uk portal.

Return to creditors

The table below summarises the outcome for creditors.

Class of creditor	Return	Previous estimate
Secured creditor	£1.983M	£1.983M
Preferential creditors	Nil	Nil
Unsecured creditors ¹	Nil	Nil

1. Under the provisions of Sections 176A of the Act, the Joint Administrators must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where a company has granted a floating charge to a creditor after 15 September 2003. The Company granted a floating charge to the Bank before 15 September 2003 and consequently there will be no prescribed part in this Administration.

What you need to do

The purpose of the Final Progress Report is to provide you with an update only and the creditors of the Company do not need to take any actions at this time.

Creditors' rights

An overview of the rights of creditors are detailed in Appendix B.

Contact details

Contact: Theo Warren
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: +44 (0)151 237 4500
Email: BRCMTLondonandSouthEast@bdo.co.uk
Reference: 00324937

PROGRESS IN THE FINAL PERIOD AND IN THE ADMINISTRATION

Asset realisations

The receipts and payments account attached at Appendix C details the asset realisations during the Final Period.

The only receipts in the Final Period were a £283.37 refund of electricity charges and £7.11 of bank interest received.

In the Final Period the Joint Administrators continued to pursue a potential debt owed by Hollander Hyams Polska SP zoo ('Polska'), a Polish-registered company. During the course of the correspondence with Polska, information and documents were provided which supported Polska's claim that it had fulfilled orders on behalf of the Company from its own stock. As a result, the Joint Administrators' concluded that it would not be in the interest of creditors to pursue this matter further.

All recoverable assets have therefore now been realised.

Investigations

In the Final Period the Joint Administrators were contacted by a creditor of the Company with information regarding the conduct of the directors prior to the appointment of the Joint Administrators. The Joint Administrators made enquiries and carried out investigations in this regard.

As previously advised the Joint Administrators have completed a review of the Company's affairs and have submitted a confidential statutory report on the conduct of the directors to the disqualification unit of the Department for Business, Energy & Industrial Strategy.

The Joint Administrators concluded there are no actions to pursue for the benefit of creditors.

Distributions to creditors

Secured creditors

The secured creditor in the Administration is Barclays Bank Plc ('the Bank'). The Bank were owed £2.328M at the date of appointment. In the Final Period a distribution of £235k has been paid to the Bank under its fixed charge and VAT refund of £13k has been assigned to the Bank as a final distribution. The total distribution to the Bank is therefore £1.983M.

Preferential creditors

There were insufficient funds available to enable a distribution to be paid to preferential creditors.

Unsecured creditors

Unsecured creditors' claims totalled £908k. It has not been possible to pay a dividend to unsecured creditors.

Notice of no dividend

In accordance with Rule 14.36 of the Rules, notice is given that a dividend was not paid to preferential and unsecured creditors as there have been insufficient realisations, after costs and distributions to the secured creditor, to enable a dividend to be paid.

Joint Administrators' discharge from liability

Approval that the Joint Administrators be discharged from liability on the registration of the notice to move from Administration and the final progress report with the Registrar of Companies has been obtained from the secured creditor.

Other matters

Assignment of Reclaimable VAT to the Bank

The Joint Administrators have submitted a final VAT return to HMRC but it is unlikely that HMRC will process the return and issue payment before the Administration closes. The reclaimed VAT of £13,248.16 has been assigned to the Bank and is included in the value of the total distributions made to the Bank, as set out above.

In addition to the above matters, we have dealt with all statutory matters required by legislation and administrative work incidental to our duties as Joint Administrators in this Administration.

Joint Administrators' remuneration

The Joint Administrators' remuneration was approved on a time costs basis by the Bank in its capacity as secured creditor as Paragraph 52(1)(b) of Schedule B1 to the Act applies.

The Joint Administrators sought the Bank's updated approval and, on the 7 July 2021, obtained approval of the following:

- a) That the Joint Administrators fees be fixed on a time cost basis
- b) That the Joint Administrators be authorised to draw fixed charge remuneration up to £155k plus VAT and disbursements.
- c) That the Joint Administrators be authorised to draw floating charge remuneration up to £91k plus VAT and disbursements.

Time costs of £545,952 have been incurred over 1,496.50 hours at an average rate of £364 per hour. During the Final Period, time costs of £83,233 were incurred over 215 hours at an average rate of £386 per hour. The Joint Administrators have drawn total remuneration of £246k, including £66k in the Final Period, in line with the approval given and as shown on the enclosed receipts and payments account at Appendix C.

A detailed report of the time incurred by the Joint Administrators and a narrative of the work done during the Final Period is attached in Appendix D.

Joint Administrators' expenses

Expenses paid during the Administration and in the Final Period are detailed in the receipts and payments account at Appendix C.

A breakdown of expenses incurred is set out in Appendix E.

Professional fees and expenses

Professional fees and expenses paid during the Administration and in the Final Period are detailed in the receipts and payments account at Appendix C.

A breakdown of the professional fees and expenses incurred is set out in Appendix F.

Outcome of the Administration

There have been no major amendments or deviations from the agreed Proposals and in accordance with Paragraph 3(1) (c) of Sch.B1 to the Act, the Joint Administrators have sufficiently achieved the statutory purpose of the Administration being (c) realising property in order to make a distribution to one or more secured or preferential creditors.

The Company will move from Administration to dissolution.

APPENDIX A

STATUTORY INFORMATION

Information

Company name	Hollander Hyams Limited
Company registration number	00396137
Registered office	C/o BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Court name and reference	High Court of Justice, Business and Property Courts of England and Wales, Insolvency and Companies List (ChD) - CR-2020-001048
Date of appointment	18 February 2020
Appointor	The directors pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986.
Joint Administrators	<p>Martha Thompson</p> <p>Sarah Rayment appointed on 14 September 2020</p> <p><i>Under the provisions of paragraph 100(2) of Sch.B1 to the Act the Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.</i></p>
Joint Administrators' address	BDO LLP, 55 Baker Street, London, W1U 7EU
Data Control and GDPR	<p>Martha Thompson is authorised to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales in the UK. Sarah Rayment is authorised to act as an Insolvency Practitioner by the Insolvency Practitioners Association in the UK. The Joint Administrators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Administration of Hollander Hyams Limited. Please see the privacy statement at https://www.bdo.co.uk/en-gb/privacy-notice/insolvencies</p>
Summary of the Proposals	<p>The Joint Administrators' formal proposals:</p> <ol style="list-style-type: none"> 1) They continue to realise the Company's assets for distribution to the secured and preferential creditors in accordance with objective 3. 2) The Company is to exit the Administration by way of dissolution in accordance with paragraph 84 of Schedule B1. <p>Other resolutions for consideration by creditors:</p> <ol style="list-style-type: none"> a) That the Joint Administrators' Formal Proposals be accepted.

- b) That a creditors committee be established if between 3 and 5 creditors are nominated and agree in writing to be members.
-

APPENDIX B

CREDITORS' RIGHTS

Within 21 days of receipt of the Final Progress Report (1) a secured creditor, (2) an unsecured creditor with the concurrence of at least 5% in value (including the creditor in question) of the unsecured creditors; or (3) any unsecured creditor with the permission of the court, may request in writing that the Joint Administrators provide further information about their remuneration or expenses which are itemised in the Final Progress Report.

Within 14 days of receipt of the request, the Joint Administrators must provide all of the information asked for, unless they think that:

- the time or cost in preparing the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
- the Joint Administrators are subject to confidentiality obligations in respect of the information.

The Joint Administrators must give reasons for not providing all of the requested information.

Any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors may, within eight weeks of receipt of the Final Progress Report, make an application to court that the basis fixed for the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred by the Joint Administrators, as set out in the Final Progress Report, are excessive.

Copies of BDO LLP's charging and expenses policy, 'A Creditors' Guide to Administrators' Fees' and information on the rights, duties and functions of a creditors' committee are available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides> or by requesting a copy from my office in writing or by telephone.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency Practitioners. In the event that you make a complaint to us but are not satisfied with the response, then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this Administration. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

APPENDIX C

RECEIPTS AND PAYMENTS ACCOUNT

Hollander Hyams Limited (In Administration) Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 18/08/2021 To 15/02/2022 £	From 18/02/2020 To 15/02/2022 £

APPENDIX D

JOINT ADMINISTRATORS' REMUNERATION

The Joint Administrators' remuneration has been approved on a time costs basis.

Time costs of £83,232 have been incurred during the Final Period and a breakdown is detailed below together with details of the work undertaken.

Activity	Partner	Director	Senior Manager	Manager	Senior Executive	Executive	Total hours	Time Costs £	Average Rate £/h
Planning And Strategy				6.80			6.80	2,819.10	414.57
General Administration	2.55	4.40	1.00	52.85	22.30	20.40	103.50	33,184.65	320.62
Assets Realisation/Dealing		1.10		18.45	8.50		28.05	9,675.90	344.95
Creditor Claims				7.50	3.25		10.75	3,918.15	364.48
Reporting		3.50		23.60	5.00	0.75	32.85	13,032.10	396.72
Distribution And Closure	17.50	0.50		15.20			33.20	20,602.75	620.56
TOTAL	20.05	9.50	1.00	124.40	39.05	21.15	215.15	83,232.65	386.86

Details of the work undertaken in the Final Period is detailed below.

Planning and strategy

- Review of strategy and closing progression. Ensuring all matters finalised before issuing final report.

General administration

- Ongoing maintenance and reconciliation of the Administration bank account and other cashiering functions.
- Preparation and completion of internal reviews.
- Preparing and submitting VAT returns, communications and correspondence with HMRC regarding rectification of the Company's VAT records in order to facilitate recovery of reclaimable VAT.
- Investigation work in response to information received and the enquiries and investigations carried out in response thereto. Finalising the Joint Administrators' file notes in relation to investigation work carried out during the administration.

Asset realisation/dealing

- Correspondence with overseas debtor. Consideration of options available and file note of final outcome.

Creditor claims

- Dealing with enquiries from creditors and other stakeholders.

Reporting

- Preparation and distribution of the progress report to members and creditors.

Distribution and closure

- Calculation and distribution to Barclays Bank Plc.
- Closure planning, including obtaining approval from discharge from liability.
- Preparing the final progress report.

The current charge out rates per hour of staff within the firm who may be involved in working on the Administration are as follows:

Grade	£
Partner	812 - 1,066
Director	340 - 681
Senior Manager	284 - 568
Manager	156 - 414
Senior Executive	124 - 290
Executive	76 - 151

Cumulative time incurred to fees estimate comparison

Total time costs £545,952 have been incurred over the course of the Administration to 15 February 2022 as detailed below.

Activity	Estimated			Total Incurred		
	Hours	Average Rate £	Time costs £	Hours	Average Rate £	Time costs £
Steps on appointment	22.90	240.19	5,500.25	22.90	240.19	5,500.25
Planning and strategy	55.25	389.03	21,494.18	63.10	390.00	24,609.00
General administration	204.35	200.36	40,944.52	401.90	247.84	99,607.00
Asset realisation/dealing	523.10	414.92	217,042.50	599.75	433.67	260,094.35
Trading related matters	0.00	0.00	0.00	0.00	0.00	0.00
Employee matters	7.20	245.63	1,768.52	6.90	310.62	2,143.30
Creditors' claims	183.95	404.35	74,379.65	201.60	392.53	79,133.20
Reporting	123.45	263.84	32,570.63	160.15	313.27	50,170.20
Distribution and closure	8.00	403.51	3,228.05	40.20	614.30	24,694.75
TOTAL	1,128.20	351.82	396,928.30	1,496.50	364.82	545,952.05

The Joint Administrators have exceeded the fees estimate of £396,928.30. However, the Joint Administrators have not drawn fees in excess of the fees estimate.

Below we comment on the reasons for exceeding the fees estimate:

General administration

As detailed in the previous progress report, this category includes a number of sub-categories covering a range of activities such as reviewing and regularising affairs regarding VAT and taxation; investigations

into the affairs and transactions of the entity; engaging and liaising with solicitors as required; day to day management of the Company's assets including accounting and investment of realisations, suitable banking investment and preparing reports on receipts & payments; ensuring appropriate approval of all costs including approval of remuneration and matching costs of specialists against their expense estimates; dealing with statutory and regulatory matters; managing general administrative matters, basic enquiries and meetings.

The Joint Administrators have spent more time than anticipated in dealing with matters that fall into this category. In the Final Period the principal matters dealt with were VAT, dealing with the estate receipts and payments and recording the Joint Administrators' investigative actions. In addition to the explanation given in the previous report the following additional information is provided for creditors.

The VAT accounting required the assistance of BDO's VAT team because the Company was part of a VAT group with an associated company. Specialist advice was required to ensure that the Joint Administrators properly accounted for the VAT to HM Revenue and Customs. When the Joint Administrators filed the VAT deregistration papers, they were advised by HMRC that an error in HMRC's computer records had occurred. In order to rectify the error, the Joint Administrators were required to recalculate the VAT returns previously submitted and resubmit them and reclaim £47k of VAT that had been withheld. This additional work was not expected and was not included in the fees estimate.

As detailed in the body of this report, in the Final Period the Joint Administrators conducted further investigations in response to allegations made against the directors which was not anticipated in the fees estimate.

Asset realisation

In the Final Period, we continued to pursue the Polish-based debtor. Work included correspondence by letter and email, reviewing Company documents and internal discussions regarding recoverability and documenting the final position.

Creditors' claims

Dealing with general enquiries from creditors and updating records

Reporting

The previous fees estimate was prepared on the expectation that the administration would end before August 2021 and that a further progress report would not be required. The additional progress report was required and additional time costs were incurred.

Distribution and closure

The anticipated time costs for preparing the case for closure were underestimated in the fees estimate. Primarily, the additional time was incurred in relation to planning the closure in the event that the Company's VAT accounting could not be resolved by HMRC, how the reclaimed VAT could be recovered, and what steps would need to be taken to ensure those funds were not lost.

APPENDIX E

JOINT ADMINISTRATORS' EXPENSES

The Joint Administrators' expenses incurred and paid are detailed below.

	Estimated £	Incurred in Period 18/08/2021 to 15/02/2022 £	Total Incurred 18/02/2020 to 15/02/2022 £	Total Paid 18/02/2020 to 15/02/2022 £
Category 1				
Administration general expenses ¹	5,600		2,340	2,340
Property holding costs ¹	84,140	2,942	59,142	59,142
Property security and maintenance ²	23,789		23,789	23,789
Property Insurance ¹	12,000	-	31,208	31,208
Non-property insurance	not estimated		5,536	5,536

Category 2

None

¹Estimated in the Joint Administrators' proposals dated 9 April 2020

²Updated estimates provided in the Joint Administrators' progress report dated 16 September 2021

*included within disbursements on the attached receipts and payments account.

The expenses shown are self-explanatory.

In respect of some of the expenses we have exceeded the estimates the reasons for exceeding the estimates are below.

Property insurance

At the time of preparing the estimate the properties were covered on the Joint Administrators' open cover policy. The estimate of £12,000 was based on similar properties and with the expectation of sales within 12 months from the date of appointment. The final insurance costs were increased due to the size and nature of the processing facilities at Bridgnorth and Sheffield and the longer than expected period of insurance due to sales not being possible due to the pandemic.

Non-property insurance

No estimate was given in respect on non-property insurance. Such insurance was required to protect vehicles, equipment and machinery assets at the Bridgnorth site. Such assets would usually be taken into the custody of the chattel agents but because of the lock down restrictions, it was not possible to recover them immediately after appointment and so insurance was required.

APPENDIX F

PROFESSIONAL FEES AND EXPENSES

The professional fees and expenses incurred are detailed below.

	Estimated £	Incurred in Period 18/08/2021 to 15/02/2022 £	Total Incurred 18/02/2020 to 15/02/2022 £	Total Paid 18/02/2020 to 15/02/2022 £
Category 1				
1. Pre-Appointment Agent Fees & Disbs ¹	9,054	-	9,054	9,054
2. Pre-Appointment Legal Fees & Disbs ¹	6,502	-	6,502	6,502
3. Employment Agents' Fees & Disbs ¹	1,350	-	1,350	1,350
4. Chattel Agent Fees & Disbs ¹	23,525	-	23,525	23,525
5. London property management			3,179	3,179
6. Property Legal Costs ²	12,510		12,510	12,510
7. Non-property Legal Costs ²	44,924		44,924	44,924
8. Sale Agent Commission & Expenses	54,104		54,104	54,104

¹Details provided in the Joint Administrators' proposals dated 9 April 2020

²Updated estimates provided in the Joint Administrators' progress report dated 16 September 2021

- Wyles Hardy & Co Ltd were instructed to assist and advise the Company and the Joint Administrators on the disposal of the Company's stock and various practical matters relating to the clean-up of the processing sites. They were instructed by the directors of the Company.
- TLT LLP were instructed to provide advice on environmental risks, the appointment documentation and advice in relation to the effect of a rent deposit charge registered at Companies House but not shown as satisfied. TLT LLP were selected due to them having prior knowledge of the Company and the London property as they had previously advised Barclays Bank Plc on whether a dispute between the Company and a tenant of the London property would affect the Bank's interests.
- ERA Solutions Limited were instructed to assist employees in submitting their preferential claims. They were selected due to their knowledge and expertise.
- Wyles Hardy & Co Ltd were retained to assist the Joint Administrators in the disposal of the chattel assets and disposal of onerous property. WHC were selected due to their prior knowledge of the Company, its processing sites and the assets and their expertise in dealing with such assets.
- HLM Property Management was engaged to provide property management services in respect of the London property. They acted as liaison with the tenants and managed the collection of service charge and ground rent and provision of cleaning and other general services. No previous estimate was made of these costs as at the time of preparing the Joint Administrators proposals, it was not anticipated that the property would be held long enough to require such services, but became necessary due to the delay in selling the property.
- TLT LLP were instructed to deal with the property sale legal work.
- TLT LLP were instructed to advise the Joint Administrators in relation to various non-property legal matters. Mainly, this was for advice and representation in correspondence with a tenant of the London property relating to allegations against the Joint Administrators conduct.
- Lamberts Smith Hampton were engaged to market and sell the Sheffield and Bridgnorth properties and received a commission of 1.5% and 1.1% respectively. Lambert Smith Hampton and Robert Irving Burns shares a commission of 2% on the sale of the London property.