

**Liquidator's Progress Report****Pursuant to Sections 92A, 104A and 192 of the  
Insolvency Act 1986****S.192**

To the Registrar of Companies

Company Number

00960993

Name of Company

(a) Insert full name  
of company

(a) Anglo-Holt Construction Limited

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

We (b)

Guy Mander

RSM Restructuring Advisory LLP

St Philips Point

Temple Row

Birmingham, B2 5AF

and Diana Frangou

RSM Restructuring Advisory LLP

St Philips Point

Temple Row

Birmingham, B2 5AF

the liquidator(s) of the company attach a copy of my/our Progress Report  
under section 192 of the Insolvency Act 1986The Progress Report covers the period from 12 January 2016  
to 11 January 2017

Signed

Date

Presenter's name,  
address and  
reference  
(if any)RSM Restructuring Advisory LLP, St Philips Point, Temple Row,  
Birmingham B2 5AF  
Ref GEM/CJL/TS/1069796

THURSDAY



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02/02/2017

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COMPANIES HOUSE

**In the matter of**

**Anglo-Holt Construction Limited In Liquidation  
(‘the Company’)**

**Joint Liquidators’ progress report**

**1 February 2017**

**Guy Edward Brooke Mander and Diana Frangou  
Joint Liquidators**

**RSM Restructuring Advisory LLP**

**St Philips Point  
Temple Row  
Birmingham B2 5AF**

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## **1 Purpose of report**

This report has been prepared in accordance with insolvency legislation to provide creditors, members and the Registrar of Companies with information relating to the progress of the liquidation in the period from 12 January 2016 to 11 January 2017. This report should be read in conjunction with previous reports that have been issued, including during the preceding administration, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986 (as amended). It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

Neither the Liquidators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

## **2 Progress of the liquidation in the previous twelve months**

### **2.1 Realisation of assets**

#### **Debtors/Work in progress/Retentions**

As previously advised, the amounts owed to the Company in respect of completed and ongoing contracts (as per the books and records at the date of our appointment as Administrators) was c£5.3m. This was split as follows:

- |                    |   |       |
|--------------------|---|-------|
| • Invoices raised  | - | £1.6m |
| • Applications/WIP | - | £2.6m |
| • Retentions       | - | £1.1m |

The terms of the contracts vary but are generally industry standard forms, the key issue being that any form of insolvency constitutes a breach under which the Employer can legitimately determine the Company's employment under the contract. Following such termination, the Employer can engage other contractors to complete the Company's works and withhold payments otherwise due to the Company until such time as the works are complete and defects periods have expired. This position is further exacerbated given the Company's design liability and extended warranties.

Leslie Keats ('LK') are engaged as our quantity surveyors to deal with and realise such assets. During the period we have realised pre-appointment book debts totalling £90,861 and £15,486 in respect of work in progress/retentions. LK continue to negotiate with a number of parties regarding reaching final accounts and agreeing settlement positions as appropriate. Their current estimate of further realisations is £72k – £212k. We understand that of the contracts on-going at our appointment, all have passed practical completion and their 12 month retention periods have now expired. At this stage we are awaiting confirmation from the Employers as to the actual costs incurred following the Company defaulting on the contracts. As is customary in the sector, we anticipate the costs will outweigh the debts owed to the Company and therefore the Employers will have creditor claims.

#### **Corporation Tax**

During the period we received £8,044 from the negotiated sale of certain pre-appointment tax losses in order for the purchaser to gain group tax relief. We have also submitted relief and terminal loss claims which are being reviewed by HMRC, and will significantly mitigate HMRC's unsecured claim against the Company through Crown set off.

#### **VAT refund**

The Company was due a VAT repayment from the preceding administration periods totalling £66k. This was received in the period under review.

## **Sundry**

£240 was received in respect of CAD drawings and £147 60 was received due to an overpayment of solicitor's disbursements prior to the Company going in to administration

During the period under review, c£15 8k has been received in respect of bank interest earned on funds on account, including through treasury investment

## **2.2 Investigations**

In accordance with our statutory obligations, we have filed the appropriate documentation with the Department for Business, Innovation and Skills in relation to the conduct of the directors

## **2.3 Administration and planning**

The Joint Liquidators have carried out tasks including, but not limited to, dealing with the day to day case administration duties, maintenance of records and on-going statutory obligations

These include, but are not limited to, handling receipts and payments, VAT and corporation tax issues such as tax returns, reporting on the progress of the liquidation and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, statutory and other advertising and insurance

## **3 Matters preventing closure**

### **3.1 Assets remaining to be realised**

As detailed above the position with regards to Contracts/Debtors/Work in Progress and Retentions is on-going and further realisations are expected in due course following the expiry of defects periods and dealing with any remedial works

It is expected that it will take another 6-18 months to resolve all of the contractual matters, including agreeing any unsecured claims of Employers. Due to our expectations that their claims are likely to be significant, we are unable to pay a first dividend to unsecured creditors until these claims have been received, reviewed (with the assistance of LK) and adjudicated

We also continue to investigate certain pre-administration transactions and expenditure incurred by the Company, to establish whether there are any rights of recovery for the benefit of creditors

## **4 Creditors' claims and dividend prospects**

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix A. Please note that these are indicative only and should not be used as the sole or principal basis for any bad debt provision or other purposes. They may be subject to revision and additional costs

The agreement of creditors' claims by the Joint Liquidators is a separate matter and will be dealt with as appropriate in due course, initially by reference to the proofs of debt lodged in the proceedings by creditors themselves. The review and agreement of claims process has begun and is on-going. Timing of dividend(s) to unsecured creditors will be driven by finalisation of the contracts position, as set out in 3.1 above

## **5 Receipts and payments summary**

We attach as Appendix B a summary of our receipts and payments for the period from 12 January 2016 to 11 January 2017

### **VAT basis**

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately

## **6 Costs and Joint Liquidators' remuneration**

### **6.1 Closure costs in prior administration**

Details of the actual costs incurred in closing the previous administration procedure are identified in the receipts and payments account. These are based on time costs incurred, as detailed in our previous report.

### **6.2 Joint Liquidators' remuneration and disbursements**

The Joint Liquidators' remuneration was approved on a time cost basis by the creditors on 12 February 2016 (capped at a total of £155,620 without further approval). We have incurred time costs of £60,460.30 since the date of our appointment to 11 January 2017, at an average hourly rate of £233.80. An analysis of time incurred in the period is attached at Appendix F. Of this, a total of £57,854.10 (plus VAT) has been paid and the balance remains outstanding.

Approval was also given to the drawing of disbursements, including Category 2 disbursements. Details of the current rates are attached at Appendix D. No Category 2 disbursements were incurred in the period under review.

## **7 Joint Liquidators' statement of expenses**

### **7.1 Statement of expenses**

A statement of the expenses incurred during the period, is attached at Appendix E. This includes all expenses incurred by the Joint Liquidators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period together with cumulative figures.

### **7.2 Detailed cost breakdown**

Attached to this report are four Appendices relating to my costs on this assignment:

- Appendix C: RSM Restructuring Advisory LLP's charging, expenses and disbursements policy statement,
- Appendix D: Joint Liquidators' charge out and disbursement rates,
- Appendix E: Statement of expenses incurred in the period, and
- Appendix F: Joint Liquidators' time cost analysis.

The work that we do as Joint Liquidators is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature in general. The actual matters with which we are dealing are set out briefly in both this report and in our earlier reports to creditors.

We believe this case generally to be of average complexity and accordingly no extraordinary responsibility has to date fallen upon us as Joint Liquidators. The underlying basis of charging proposed to and approved by the creditors has been RSM Restructuring Advisory LLP standard charge out rates. RSM Restructuring Advisory LLP charge out rates have been reviewed periodically.

### **7.3 Other professional costs**

LK have been retained as quantity surveyors to advise on the Company's contracts. We have agreed their fees on the basis of time costs incurred, which is reviewed and approved periodically. Fees of £30,310 were agreed and paid in the first year of the liquidation.

## **8 Creditors' right to information and ability to challenge remuneration and expenses**

In accordance with the provisions of Rules 4.49E and 4.131 of the Insolvency Rules 1986, creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

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

the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive

A Guide to Liquidators Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at [http //rsm insolvencypoint com](http://rsm-insolvencypoint.com) under 'general information for creditors'  
A hard copy can be requested from my office by telephone, email or in writing

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question

Should you have any further queries please do not hesitate to contact my colleague, Dan Evans



**G E B Mander**  
**RSM Restructuring Advisory LLP**  
**Joint Liquidator**

Guy Mander and Diana Frangou are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

## Appendix A

### Statutory, dividend and other information

Company name	Anglo-Holt Construction Limited
Joint Liquidators	Guy Edward Brooke Mander and Diana Frangou
Date of appointment	12 January 2016
Company number	00960993
Date of incorporation	27 August 1969
Trading name	Anglo-Holt Construction Limited
Trading address	150 Birmingham Road West Bromwich Birmingham, B70 6QT
Principal activity	Building and civil engineering contractors and developers
Registered office	c/o RSM Restructuring Advisory LLP, St Philips Point, Temple Row, Birmingham, B2 5AF

Dividend prospects	Owed	Paid to date	Estimated future prospects
Preferential creditors	£28,926 28	£28,926 28	N/A – paid 100p in the £ in prior administration
Unsecured creditors	£20,022,746 56 (As per directors' Statement of Affairs)  £27,100,495 claims received to date	Nil	Not yet known
Estimated net property	Prescribed part not applicable as there are no creditors secured by floating charges over the assets of the Company		
Estimated prescribed part available for unsecured creditors	N/A		



## Appendix B

### Receipts and Payments Abstract: Anglo-Holt Construction Limited In Liquidation

CVL, Bank, Cash and Cash Investment Accounts. From: 12 January 2016 to 11 January 2017

SOA Value £		12/01/2016 to 11/01/2017		Total to 11/01/2017	
		£	£	£	£
<b>TRANSFERS FROM ADMINISTRATOR</b>					
0 00	Barclays FLT	76,527 13		76,527 13	
	PAYE / NI Receivable (Payable)	(3,596 15)		(3,596 15)	
0 00	Treasury Investment 1/7564064936	2,404,003 94		2,404,003 94	
	VAT Receivable (Payable)	66,089 39		66,089 39	
			2,543,024 31		2,543,024 31
<b>ASSET REALISATIONS</b>					
0 00	Bank Interest Gross	37 47		37 47	
1,634,471 00	Cash at Bank	0 00		0 00	
0 00	Corporation Tax - Group Relief	8,044 05		8,044 05	
40,079 00	CT Refund	0 00		0 00	
876,100 00	Debtors	90,813 35		90,813 35	
1,000,000 00	Freehold/Leasehold Property	0 00		0 00	
0 00	Gross MM Interest	15,777 05		15,777 05	
59,000 00	Motor Vehicles	0 00		0 00	
10,000 00	Office Furniture & Equipment	0 00		0 00	
384 00	Petty Cash	0 00		0 00	
0 00	Sundry	347 60		347 60	
5,000 00	Warehouse Equipment	0 00		0 00	
0 00	Work In Progress and Retentions	15,485 89		15,485 89	
			130,505 41		130,505 41
<b>COST OF REALISATIONS</b>					
0 00	Administrators' disbursements	(344 76)		(344 76)	
0 00	Administrators' Fees	(7,547 50)		(7,547 50)	
0 00	Advertisements	(70 22)		(70 22)	
0 00	Agents / Valuers Fees	(30,310 00)		(30,310 00)	
0 00	Corporation Tax	(1,604 60)		(1,604 60)	
0 00	Council Tax	(260 36)		(260 36)	
0 00	Legal Fees	(1,900 00)		(1,900 00)	
0 00	Liquidators' Fees	(57,854 10)		(57,854 10)	
0 00	Rates	(4,202 62)		(4,202 62)	
0 00	Specific Bond	(20 00)		(20 00)	
0 00	Storage Costs	(1,095 60)		(1,095 60)	
0 00	Telephone & Fax	(1,659 24)		(1,659 24)	
			(106,869 00)		(106,869 00)
<b>UNSECURED CREDITORS</b>					
(2,038,233 74)	Associated Creditors	0 00		0 00	
(4,072 09)	Department of Employment	0 00		0 00	
(691,397 88)	Employees	0 00		0 00	
(16,293,686 43)	Trade and Expense Creditors	0 00		0 00	
(995,356 42)	Unsecured Creditors	0 00		0 00	
			0 00		0 00
<b>EQUITY</b>					
(4,030,136 00)	Ordinary	0 00		0 00	
			0 00		0 00
(20,459,324 56)			2,566,660.72		2,566,660.72
<b>REPRESENTED BY</b>					
	Cash at Bank			2,565,744 34	
	Unclaimed Dividends			(13 62)	
	VAT Receivable (Payable)			930 00	
					2,566,660 72

## **Appendix C**

### **RSM Restructuring Advisory LLP**

#### **Charging, expenses and disbursements policy statement**

##### **Charging policy**

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for RSM Restructuring Advisory LLP Birmingham are attached
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically

##### **Expenses and disbursements policy**

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements
- A resolution to consider approving category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Birmingham will be proposed to the relevant approving party in accordance with the legislative requirements
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate

## Appendix D

### RSM Restructuring Advisory LLP

#### Joint Liquidators' current charge out and category 2 disbursement rates

Hourly charge out rates		
	Rates at commencement £	Current rates £
Partner	420	495
Directors / Associate Directors	225 - 340	310 – 425
Manager	190 – 225	245
Assistant Managers	110 – 155	145 – 195
Administrators	125	110 – 160
Support staff	68 - 75	95

Category 2 disbursement rates	
Internal room hire	£25/80 per room
Subsistence	£25 per night
Travel (car)	42 5p per mile
'Tracker' searches	£10 per case

## Appendix E

### Statement of expenses incurred by the Joint Liquidators' in the period from 12 January 2016 to 11 January 2017

Type and purpose	Incurred in period £
Statutory advertisement – notice of appointment of Liquidators	70 22
Quantity surveyors fees – Leslie Keats – based on time costs incurred	30,310 00
Council Tax – final account for period prior to sale of the Company's freehold property during the administration, part of which was a residential dwelling	260 36
Corporation Tax – administration period	1,604 60
Legal Fees – Shoosmiths fees based on agreed retainer for work undertaken in assisting the Liquidators with a possible claim to the Company's insurers	1,900 00
Storage Costs	1,095 60
Rates – Business rates incurred in the administration period	4,202 62
Telephone costs – settlement of line rental cost during the administration up to sale	1,659 24
Insolvency bond	20 00
<b>Total</b>	<b>41,122 64</b>

## Appendix F

### Joint Liquidators' time cost analysis for the period from 12 January 2016 to 11 January 2017

Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
<b>Administration and Planning</b>									
Appointment	0.2	0.5	0.0	5.3	2.9	0.0	8.9	£ 1,300.00	146.07
Background Information	0.0	0.0	0.0	0.5	0.0	0.0	0.5	£ 80.00	160.00
Case Management	7.6	3.3	0.0	18.7	17.1	2.4	49.1	£ 9,018.10	183.67
Director(s)/debtor/bankrupt	1.6	0.0	0.0	1.5	0.5	0.0	3.6	£ 985.00	273.61
Pension Scheme	0.7	0.4	0.0	0.7	0.0	0.0	1.8	£ 534.00	296.67
Post-appointment - general	0.6	3.0	0.0	0.3	0.0	0.0	3.9	£ 1,068.00	273.85
Pre-appointment matters	0.0	0.0	0.0	0.4	0.0	0.0	0.4	£ 64.00	160.00
Receipts and Payments	0.1	2.7	0.0	23.9	2.9	1.2	30.8	£ 4,240.50	137.68
Tax Matters	2.1	3.0	15.4	12.4	7.1	0.2	40.2	£ 7,759.00	193.01
<b>Total</b>	<b>12.9</b>	<b>12.9</b>	<b>16.4</b>	<b>63.7</b>	<b>30.6</b>	<b>3.8</b>	<b>139.2</b>	<b>£ 25,048.60</b>	<b>179.96</b>
<b>Investigations</b>									
Investigations/CDDA	2.8	0.8	0.0	0.3	1.0	0.0	4.9	£ 1,606.00	327.76
<b>Total</b>	<b>2.8</b>	<b>0.8</b>	<b>0.0</b>	<b>0.3</b>	<b>1.0</b>	<b>0.0</b>	<b>4.9</b>	<b>£ 1,606.00</b>	<b>327.76</b>
<b>Realisation of Assets</b>									
Assets - general/other	4.9	5.3	0.0	0.6	0.7	0.0	11.5	£ 3,736.00	324.87
Debtors & sales finance	8.7	0.3	0.0	0.1	1.0	0.0	10.1	£ 4,151.50	411.04
Land and Property	0.0	1.7	0.0	5.0	0.5	0.0	7.2	£ 1,365.50	189.65
Stock and WIP	0.0	20.4	0.0	1.7	0.0	0.0	22.1	£ 5,845.00	264.48
<b>Total</b>	<b>13.6</b>	<b>27.7</b>	<b>0.0</b>	<b>7.4</b>	<b>2.2</b>	<b>0.0</b>	<b>50.9</b>	<b>£ 15,098.00</b>	<b>296.62</b>
<b>Creditors</b>									
1st creditors/shareholders meetings and reports	4.0	0.0	0.0	0.0	0.0	0.0	4.0	£ 1,700.00	425.00
Employees	0.0	0.0	0.0	0.1	0.0	0.0	0.1	£ 20.90	209.00
Other Creditor Meetings and Reports	0.0	0.0	0.0	0.0	1.0	0.0	1.0	£ 110.00	110.00
Preferential Creditors	0.1	0.4	0.0	0.2	0.3	0.0	1.0	£ 225.50	225.50
Unsecured Creditors	22.5	6.2	0.0	7.4	14.9	0.0	51.0	£ 14,402.80	282.41
<b>Total</b>	<b>26.6</b>	<b>6.6</b>	<b>0.0</b>	<b>7.7</b>	<b>16.2</b>	<b>0.0</b>	<b>57.1</b>	<b>£ 16,469.20</b>	<b>288.26</b>
<b>Case Specific Matters - Legal Matters</b>									
Legal Matters	2.8	3.7	0.0	0.0	0.0	0.0	6.5	£ 2,248.50	345.92
<b>Total</b>	<b>2.8</b>	<b>3.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>6.5</b>	<b>£ 2,248.50</b>	<b>345.92</b>
<b>Total Hours</b>	<b>58.7</b>	<b>51.7</b>	<b>16.4</b>	<b>79.1</b>	<b>49.9</b>	<b>3.8</b>	<b>258.6</b>	<b>£ 60,460.30</b>	<b>233.80</b>
<b>Total Time Cost</b>	<b>£ 28,166.50</b>	<b>£ 13,955.50</b>	<b>£ 3,350.00</b>	<b>£ 12,017.40</b>	<b>£ 4,852.20</b>	<b>£ 319.70</b>	<b>£ 60,460.30</b>		
<b>Total Hours</b>	<b>58.7</b>	<b>51.7</b>	<b>16.4</b>	<b>79.1</b>	<b>49.9</b>	<b>3.8</b>	<b>258.6</b>	<b>£ 60,460.30</b>	<b>233.80</b>
<b>Total Time Cost</b>	<b>£ 28,166.50</b>	<b>£ 13,955.50</b>	<b>£ 3,350.00</b>	<b>£ 12,017.40</b>	<b>£ 4,852.20</b>	<b>£ 319.70</b>	<b>£ 60,460.30</b>		
<b>Average Rates</b>	<b>446.76</b>	<b>269.93</b>	<b>217.53</b>	<b>151.93</b>	<b>93.23</b>	<b>84.13</b>	<b>233.80</b>		