

The Insolvency Act 1986

Administrators' progress report

Name of Company

Angel (London) Limited

Company number

03838267

In the
High Court of Justice

[full name of court]

Court case number
2403 of 2013(a) Insert full name(s)
and address(es) of
administrator(s)

I/We (a)

Robert Andrew Croxen
KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GLJane Bronwen Moriarty
KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Joint Administrators of the above company attach a progress report for the period

(b) Insert dates from

to

(b) 1 March 2015

(b) 28 August 2015

Signed


Joint Administrator

Dated

15 September 2015

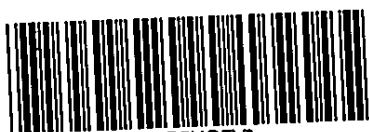
Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Anthony Oakley
KPMG LLP
15 Canada Square
London E14 5GL
United Kingdom

Tel 020 76943243

THURSDAY



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COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at -

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff



**Angel (London) Limited
- in Administration**

Progress Report
Report to Creditors pursuant to Rule 2.47 of the
Insolvency Rules 1986 (as amended)

KPMG LLP
9 September 2015

RCAO/KL



Angel (London) Limited (in Administration)

KPMG LLP

9 September 2015

Notice: About this report

- This report has been prepared by Rob Croxen and Jane Moriarty, the Joint Administrators of Angel (London) Limited ("the Company"), solely to comply with their statutory duty to report to creditors on the progress of the administration under the Insolvency Rules 1986, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company. Any estimated outcomes for creditors included in this Report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.
- Robert Andrew Croxen is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales.
- Jane Bronwen Moriarty is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in Ireland.
- The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law; KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.



Angel (London) Limited (in Administration)
KPMG LLP
9 September 2015

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Angel (London) Limited (in Administration)
KPMG LLP
9 September 2013

Glossary

Administrators/We	Rob Croxen and Jane Moriarty of KPMG LLP
AI	Angelic Interiors Ltd. An associated company – not in administration
Bank/Secured creditor	Bank of Scotland plc/Lloyds Banking Group plc – secured lender to the Group
Company	Angel (London) Limited – in Administration
Group	<p>The following were placed into administration on 12 October 2012:-</p> <p>Angel Group Limited – (“AG”) Angel Heights Developments Limited – (“AHD”) Angel Estates Limited – (“AE”) Angel Services (UK) Limited – (“AS”) Angel Wakefield Limited – (“AW”) Angel Heights (Newcastle) Limited – (“AHN”) Bromvale Limited – (“Bromvale”)</p> <p>Also in administration from 10 April 2013:- Inglelodge Limited – (“Inglelodge”) Thornminster Limited – (“Thornminster”) Wardbrook Limited – (“Wardbrook”) Angel (London) Limited</p>
KPMG	KPMG LLP

The references in this report to Sections, Paragraphs or Rules are to be the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules 1986 (all as amended) respectively



1 Introduction

We were appointed Joint Administrators of the Company by the Court on 10 April 2013, following an application by the Bank.

The administration was due to automatically end on 9 April 2014 and the Secured creditor gave its consent to a six month extension to 9 October 2014. A further 24 month extension was approved by the Court to 9 October 2016.

This report has been prepared in accordance with Rule 2.47 and covers the period from 1 March 2015 to 28 August 2015. Form 2.24B is enclosed for the Company giving formal notice to this effect

Statutory information as required under Rule 2.47 is attached at Appendix 1, together with an abstract of our receipts and payments account for the period to 28 August 2015 at Appendix 2. All figures in this report and its appendices are shown net of VAT, unless otherwise stated.

The purpose of the administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), in accordance with Paragraph 3(1)(b)

2 Proposed liquidation

The Administrators of the Company have concluded that it is now in the interests of the creditors as a whole for the administration to come to an end on or before 11 October 2015. Therefore, the Administrators consider that the appropriate exit route is to submit an application to Court seeking an order to place the Company into liquidation. This report will therefore also support the Administrators' application to the Court to place the Company into liquidation.

The Administrators' Proposals, as approved, proposed that the Administrators be entitled to petition the Court for a winding-up order to place the Company into compulsory liquidation if they thought circumstances fit to do so. In the circumstances, the Administrators consider it appropriate to move the Company into liquidation in order to facilitate the completion of the outstanding matters. The Administrators do not intend to seek appointment as liquidators. Accordingly the Administrators intend to apply to Court to end administration pursuant to paragraph 79 whilst simultaneously petitioning for the winding up of the Company.

The Administrators gave formal notice of this intention in letters sent to creditors, contingent creditors and prospective creditors dated 7 and 28 August 2015 in accordance with Rule 2.114(3)(a) and further details are set out in those letters, in particular the letter dated 7 August 2015. All persons receiving a copy of this progress report should have received the letters dated 7 and 28 August, but please contact Kirsty Laurie on 020 7311 8381 should you require a further copy.

It is anticipated that applications will also be made by one or more interested parties (most likely the Bank or AI and Ms Davey (who are referred to in the 7 August letter)) at the



hearing of the winding up petition seeking orders that liquidators be immediately appointed over the Company in place of the Official Receiver who would otherwise become the liquidator

It is expected that the required orders (i.e. to bring the administration to an end, to place the Company into liquidation and to appoint liquidators) can be made by the Court before 11 October.

3 Progress of the administration

3.1 Asset realisations

Receipts in this period, 1 March 2015 to 28 August 2015, relate to Secured creditor funding of £7,634 as set out in the attached receipts and payments account (Appendix 2).

This funding was provided by the Bank to meet costs.

3.2 Investigations

As previously reported, the Administrators have a duty to establish whether potential causes of action exist against third parties which would increase recoveries for creditors. During the period of this report we continued with our investigations taking steps to secure information and to investigate and analyse potential claims for the benefit of the estates. Subject to suitable funding it will be open to the future appointed liquidators to complete these investigations and take forward these claims.

4 Costs of realisations

Payments made in this period are set out in the receipts and payments accounts, attached as Appendix 2.



The schedule of expenses attached as Appendix 4, details the costs incurred, whether paid or unpaid, relating specifically to this reporting period only.

Under Rule 2.48A, creditors are advised that, within 21 days of receipt of this report, a creditor may request additional information about our remuneration and expenses as set out in this report. A request must be in writing, and may be made either by a secured creditor or an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the Court.

In addition, under Rule 2.109, any secured creditor or any unsecured creditor with either the concurrence or at least 10% in value of creditors, or with the permission of the Court, may apply to the Court to challenge the remuneration charged, the basis of remuneration or the expenses incurred by us. Any such application must be made no later than eight weeks after receipt of the first report which reports the charging of the remuneration or the incurring of expenses in question.

The full text of Rules 2.48A and 2.109 can be provided on request by writing to Kirsty Laurie at KPMG LLP, 15 Canada Square, London E14 5GL.

4.1 Administrators' remuneration

The statutory provisions relating to remuneration are set out in Rule 2.106. Further information is given in the Association of Business Recovery Professionals' publication "*A Creditors' Guide to Administrators' Fees*", a copy of which can be obtained at:

http://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Nov2011.pdf.

However, if you are unable to access this guide and would like a copy please contact Kirsty Laurie on 020 7311 8381.

Attached at Appendix 3 is a detailed analysis of time spent, and charge out rates, for each grade of staff for the various areas of work carried out to 28 August 2015, as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No. 9.

In the period from 1 March 2015 to 28 August 2015, we have incurred time costs of £14,845.25 representing approximately 45 hours at an average hourly rate of £329 in respect of the Company. No disbursements have been incurred in the period.

Under Rule 2.106 as, we made a statement under Paragraph 52(1)(b) that there will be no funds available to make a distribution to the unsecured creditors, it is for the secured creditors and preferential creditors (if appropriate), to fix the basis of our remuneration.

In accordance with Rule 2.106 (5A), we have agreed with the Secured Creditor that our remuneration will be fixed on the basis of time properly given by us and our staff in dealing with matters arising in the administration of the Company at KPMG charge out rates that reflect the complexity of the assignment this includes the investigation work referred to above.



In the period, remuneration of £40,084 was drawn by the Administrators.

4.2 Irrecoverable VAT

The Company is not VAT registered and therefore costs incurred with a VAT element are irrecoverable. This totals £8,017 in the period.

5 Estimated outcome for creditors

5.1 Secured creditor

Upon appointment, the Bank was owed c £40.9 million. The Bank has cross guarantees from the companies within the Group and security dated 14 October 2004 comprising fixed and floating charges over the Company's assets.

We do not expect the Bank to be repaid in full.

5.2 Preferential creditors

We are not aware that any preferential creditor claims exist against the Company.

5.3 Unsecured creditors and prescribed part

The prescribed part provisions of Section 176A entitles unsecured creditors to receive a percentage share of realisations from net floating charge assets, after costs of realisation and settlement of preferential claims. The percentage is calculated on a sliding scale up to a maximum amount of £600,000 subject to costs.

There are currently no net floating charge realisations to enable a distribution to be made to the unsecured creditors of the Company, whether by way of prescribed part or otherwise. However, this is subject to the outcome of the investigations referred to in section 3.2 above.

6 Future strategy

6.1 Ongoing matters

It is proposed that we will continue to manage the affairs, business and property of the Company in order to achieve the purpose of the administration. This will include:

- continuing with our investigations and ensuring they are passed to an appointed liquidator (see section 3.2);
- finalising the tax affairs of the Company including completion of corporation tax and VAT returns and settlement of any liabilities;
- making any further distribution to the Secured, where appropriate;
- payment of administration expenses, including our remuneration, and



Angel (London) Limited (in Administration)

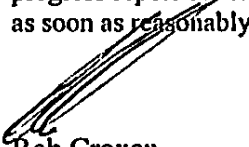
KPMG LLP

9 September 2015

- complying with statutory and compliance obligations for the remaining duration of the administration.

6.2 Future reporting

In accordance with Rule 2.47, 2.110 and 2.116 the Administrators will provide their final progress report covering the period from 29 August 2015 to the end of the administration as soon as reasonably practicable after its end of the administration.


Rob Croxen
Joint Administrator



Angel (London) Limited (in Administration)
KPMG LLP
9 September 2015

Appendix 1

Statutory information

Company name and Trading style	Angel (London) Limited		
Administration Order	High Court of Justice, Chancery Division, Court No 2403 of 2013		
Date of appointment	10 April 2013		
Present Administrators' details	Robert Andrew Croxen is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales		
	Jane Bronwen Moriarty is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in Ireland		
Former Administrator	David John Crawshaw is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales		
Functions	The functions of the Administrators are being exercised by either or both of them in accordance with Paragraph 100(2)		
Application of EC regulations	EC regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC regulations.		
Former Company Directors		<i>From:</i>	<i>To:</i>
		01/05/2010	19/10/2012
Former Company Directors	Mr Baljit Johal	19/10/2012	04/02/2013
Former Company Secretary	Daniel Skidmore (resigned 19 October 2012)		
Date of incorporation	8 September 1999		
Company registration number	03838267		
Previous registered office	47 Cold Harbour, London, E14 9NS		
Present registered office	15 Canada Square, London, E14 5GL		
Previous trading address	225 Marsh Wall, London, E14 9FW		



Angel (London) Limited (in Administration)
KPMG LLP
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Appendix 2

Administrators' receipts and payments account

Notes

1. There are no Statement of Affairs figures on the receipts and payments account as this document has not been provided by the Former Directors

Angel (London) Limited
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 01/03/2015 To 28/08/2015	From 10/04/2013 To 28/08/2015
FIXED CHARGE ASSETS		
Secured creditor funding	7,633.87	7,633.87
	<u>7,633.87</u>	<u>7,633.87</u>
ASSET REALISATIONS		
Motor vehicles	NIL	2,900.00
Cash at bank	NIL	59,571.49
	<u>NIL</u>	<u>62,471.49</u>
OTHER REALISATIONS		
Bank interest, gross	15.14	98.54
Sundry refunds	NIL	1,215.21
	<u>15.14</u>	<u>1,313.75</u>
COST OF REALISATIONS		
Administrators' fees	40,084.00	40,084.00
Irrecoverable VAT	8,016.80	11,344.88
Legal fees	NIL	16,729.39
Insurance of assets	NIL	2,756.00
	<u>(48,100.80)</u>	<u>(70,914.27)</u>
	<u>(40,451.79)</u>	<u>504.84</u>
REPRESENTED BY		
IB current account		504.84
		<u>504.84</u>

Note.



Angel (London) Limited (in Administration)
KPMG LLP
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Appendix 3

Analysis of Administrators' time costs and schedule of charge-out rates

Angel (London) Limited - in Administration
Time Cost Analysis for the period 1 March 2015 to 28 August 2015

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Administration & planning							
Cashiering							
General (Cashiering)			0 70		0 70	£196 00	£280 00
Reconciliations (& IPS accounting reviews)			0 70		0 70	£181 00	£258 57
General							
Books and records		0 30			0 30	£121 50	£405 00
Fees and WIP		0 50	2 10	0 10	2 70	£775 50	£287 22
Statutory and compliance							
Checklist & reviews		11 40	9 30		20 70	£7,519 50	£363 26
Closure and related formalities			1 70		1 70	£476 00	£280 00
Pre-appointment checks			0 10		0 10	£20 50	£205 00
Statutory receipts and payments account		0 95		0 30	1 25	£498 25	£398 60
Creditors							
Creditors and claims							
General correspondence			1 00		1 00	£280 00	£280 00
Statutory reports	0 50	0 90	11 60		13 00	£3,982 00	£308 31
Investigation							
Directors							
Correspondence with directors			2 10		2 10	£430 50	£205 00
Realisation of assets							
Asset Realisation							
Open cover insurance		0 90			0 90	£364 50	£405 00
Total in period					45 15	£14,845 25	£328 80

Notes

All staff who have worked on this assignment, including staff and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent

The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the level of chargeout rates

Time is charged in units of six minutes



Angel (London) Limited (in Administration)
KPMG LLP
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Appendix 3 – continued

Analysis of Administrators' time costs and schedule of charge-out rates

	From 10 April 2013 to 30 September 2013 (£/hour)	From 1 October 2013 to 30 September 2014 (£/hour)	From 1 October 2014 to 28 August 2015 (£/hour)
Restructuring			
Partner	565	565	595
Director	485	485	535
Senior Manager	450	475	485
Manager	365	385	405
Senior/Assistant Manager	250	265	280
Administrator/Support staff	185	195	205

KPMG Restructuring policy for the recovery of disbursements

Where funds permit the officeholder will look to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Any disbursements paid from the estate are disclosed within the attached summary of disbursements.

Category 2 disbursements charged by KPMG Restructuring include mileage, this is calculated as follows:

Mileage claims fall into three categories.

Use of privately-owned vehicle or car cash alternative – 45p per mile

Use of company car – 60p per mile

Use of partner's car – 60p per mile

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate



Angel (London) Limited (in Administration)
KPMG LLP
9 September 2015

Appendix 4

Schedule of expenses

Schedule of expenses for the period 1 March 2015 to 28 August 2015

	Paid £	Accrued £	Total for period £
Costs of realisations			
Administrators' fees	-	14,845	14,845
	<u>-</u>	<u>14,845</u>	<u>14,845</u>

Notes

The figures in the "paid" column above relate to costs incurred and paid in the period. Accordingly these figures do not include payments made in the period that relate to accruals notified in previous reports.

Administrators' remuneration

Creditors are advised that the basis of the Administrators' remuneration has been fixed with the Secured Creditor on a time costs basis in accordance with Rule 2.106. An analysis of time costs in the period is included in Appendix 3.

Creditors' request for further information

Any additional information regarding remuneration or expenses charged for the period is available from the Administrators upon request by any secured creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt in accordance with Rule 2.48A. This request must be made within 21 days of receipt of the report. In addition creditors are reminded that the quantum can be challenged by any secured creditor or any unsecured creditor(s) with at least 10% in value (including that creditor's claim) of the unsecured debt by making an application to Court in accordance with Rule 2.109 within eight weeks of receipt of this report. The full text of these rules can be provided upon request.