

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 4 6 4 9 6 9 6

Company name in full Hotels4u.com Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) David John

Surname Pike

3 Liquidator's address

Building name/number 10 Fleet Place

Street

Post town London

County/Region

Postcode E C 4 M 7 R B

Country

4 Liquidator's name ①

Full forename(s) David John

Surname Standish

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 10 Fleet Place

Street

Post town London

County/Region

Postcode E C 4 M 7 R B

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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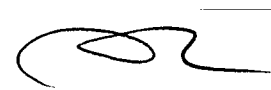
6 Period of progress report

From date	^d 2	^d 6	^m 0	^m 5	^y 2	^y 0	^y 2	^y 1	
To date	^d 2	^d 5	^m 0	^m 5	^y 2	^y 0	^y 2	^y 2	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	Signature X   X								
Signature date	^d 1	^d 3	^m 0	^m 7	^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 **Ella Damman-Smith**

Company name **Interpath Ltd**

Address **5th Floor, 130 St Vincent Street
Glasgow**

Post town **G2 5HF**

County/Region

Postcode

Country

DX

Telephone **Tel +44 (0) 203 989 2800**

**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

Joint Liquidators' progress report for the period 26 May 2021 to 25 May 2022

Hotels4u.com Limited - in
Liquidation

21 July 2022

Deemed delivered: 21 July 2022

Notice to creditors

Please note that KPMG LLP sold its Restructuring practice in the UK to Interpath Ltd ('Interpath Advisory') on 4 May 2021. This will not have an impact on your day to day dealings of the liquidation of the Company and your case contacts remain the same. Please note that the contact details for your primary case contacts may have changed, please check the insolvency portal at www.ia-insolv.com/case+INTERPATH+HK220C4516.html for the latest contact details.

This report provides an update on the liquidation of the Company.

We have included (Appendix 2) an account of all amounts received and payments made during the period 26 May 2021 to 25 May 2022, including the cumulative receipts and payments since the date of our appointment.

We have also explained our future strategy for the liquidation and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 5).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, www.ia-insolv.com/case+INTERPATH+HK220C4516.html. We hope this is helpful to you.

Please also note that an important legal notice about this report is attached (Appendix 6).

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1 Executive summary



We, David Pike and David Standish, were appointed Joint Liquidators of the Company on 26 May 2020 following a decision of creditors.

This progress report covers the period from 26 May 2021 to 25 May 2022.

Assets in the sum of £104,885.44 have been realised in the period (Section 2 - Progress to date)

It is currently likely that there will be dividend to creditors, but the quantum is dependent upon the figure realised from HMRC which remains ongoing. (Section 3 - Dividend prospects).

Please note: you should read this report in conjunction with any previous reports issued to the Company's creditors; these can be found at www.ia-insolv.com/case+INTERPATH+HK220C4516.html. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.



David Pike
Joint Liquidator

2 Progress to date

This report covers the period from 26 May 2021 to 25 May 2022. However, please refer to our previous report where information has previously been disclosed.

This section updates you on our strategy for the liquidation and on our progress to date. It follows the information provided in our previous report.

2.1 Strategy and progress to date

Strategy

Litigation with HM Revenue & Customs (“HMRC”)

As previously reported, the Joint Liquidators main focus has been to realise the balance of the residual claim against HMRC in relation to the Tour Operations Margins scheme (‘TOMS Scheme’) for the benefit of the creditors.

Since our previous report, the Joint Liquidators and the KPMG tax team have continued an ongoing and constructive dialogue with HMRC surrounding a possible settlement of the TOMS Scheme claim that would benefit the creditors. Subject to any further unforeseen developments, it is hoped that a settlement with HMRC will be achieved within the next three months.

So as not to prejudice the matter, the Joint Liquidators will be unable to comment further and we will update creditors in due course.

2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the period are provided below.

Foreign Exchange Overbilling

A refund of £94,445.14 was received in the period from American Express due to incorrectly charged Foreign Exchange conversion fees.

BACS Overlimit Fees

In the period we received a refund of £2,940 from HSBC in relation incorrectly charged overlimit fees for BACS payments.

2.3 Costs

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the period are provided below.

Solicitors' fees

Legal costs of £108,021.50 have been paid to Ashurst for their work in relation to the Trust claims as mentioned in our previous report.

Legal costs of £1,040 have been paid to Clarke Willmott in relation to the consideration of potential 236 application in respect of securing certain books and records of the Company.

2.4 Schedule of expenses

We have detailed the costs incurred during the period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

3 Dividend prospects

3.1 Secured creditor

We are not aware of any secured claims against the Company.

3.2 Preferential creditors

The Company has no preferential creditors – the only group employees supporting the Company since 2016 were the Finance Director and Legal Counsel who were both registered directors (the Legal Counsel by way of being a director of the Corporate Director) who were retained up to 31 January 2020 and were employed by a different group entity.

As previously reported, we are not aware of any preferential claims against the Company.

3.3 Unsecured creditors

Based on current estimates, it is probable that there will be a dividend to unsecured creditors, although the quantum is uncertain and is entirely dependent on any settlement with HMRC, as noted in Section 2.1 above.

4 Joint Liquidators' remuneration and expenses and payments to KPMG

4.1 Joint Liquidators' remuneration and expenses

On 24 November 2021, the creditors provided the following approvals:

our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 4 and the charge-out rates included in Appendix 6 of our report dated 22 July 2021;

As set out in section 4.2 of our report dated 22 July 2021, we continue to use KPMG specialist team to support the liquidation. From 4 May 2021 they are no longer part of the same firm as the Liquidators, and therefore any time spent by this team after 4 May 2021 will be/have been based on an arm's length agreement and will be paid and disclosed separately in our receipts and payments account rather than as part of Liquidators' remuneration. Payments will only be made to the extent the relevant time was/is included in our fees estimate (up to the date of sale) and is approved by creditors. We will seek further approval from the unsecured creditors, as a category 2 expense, should KPMG specialist team's time costs exceed our approved estimates; and category 2 expenses (as defined in Statement of Insolvency Practice 9) will be charged and drawn in accordance with Interpath Advisory's policy as set out in Appendix 6 and in accordance with the estimate of payments to KPMG/associates provided within Appendix 5.

No further resolutions are proposed at this time, and we will consider any further necessary resolutions following the conclusion of the settlement with HMRC.

Time costs

During the period from 26 May 2021 to 25 May 2022, we have incurred time costs of £183,507.45. These represent 326.75 hours at an average rate of £561.61 per hour.

Remuneration

During the period, we have not drawn any remuneration.

Liquidators' Expenses

These are any payments which are neither liquidators' remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the liquidators, and then reimbursed to the liquidators from the estate.

During the period, we have incurred and paid expenses of £109,345.00.

Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the period from 26 May 2021 to 25 May 2022. We have also attached our charging and expenses policy.

4.2 Payments to KPMG (if applicable)

The Joint Liquidators have engaged tax specialists from KPMG, to help recover the balance due from HMRC in relation to overpaid VAT.

Up until 4 May 2021, the Joint Liquidators and their staff were also partner(s) and employee(s) of KPMG. Therefore, up to 4 May 2021 the tax specialist's time forms part of the Joint Liquidators' fees. As set out in section 4.1, the Liquidators' fee estimate included time in relation to KPMG specialist teams.

Time incurred by the KPMG tax team from 4 May 2021 has been based on an arm's length agreement and will be paid and disclosed separately.

Whilst the tax team is no longer part of the same organisation as the officeholders, and not considered to be an associate for the purposes of SIP 9, for transparency payments will be subject to the same disclosure and approval as the Joint Liquidators' Category 2 expenses, where they have not already been approved as part of the Joint Liquidators' remuneration.

5 Future strategy

5.1 Future conduct of the liquidation

The following matters are still ongoing in the liquidation:

- Concluding the settlement with HMRC in respect of the TOMS Scheme claim, as noted in Section 2.1 above;
- Obtaining final tax clearance and issuing distribution(s) to unsecured creditors; and
- Paying final costs (including Joint Liquidators' and KPMG's fees) and closing the liquidation.

5.2 Future reporting

We will report again on the progress of this liquidation by 24 July 2023 or in the final report if matters have been concluded earlier.

Appendix 1 Statutory information

Company information

Company name	Hotels4u.com Limited
Previous company names if applicable	Trust Accommodation.com Limited
Date of incorporation	28 January 2003
Company registration number	04649696
Previous registered office	Westpoint Peterborough Business Park, Lynch Wood, Peterborough, England, PE2 6FZ
Present registered office	10 Fleet Place, London, EC4M 7RB
Trading address	Westpoint Peterborough Business Park, Lynch Wood, Peterborough, England, PE2 6FZ
Nature of business	Travel agency

Liquidation information

Appointed by	
Date of appointment	26 May 2020
Joint Liquidators' details	David Pike and David Standish
Joint Liquidators' address	10 Fleet Place, London, EC4M 7RB
EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC regulations.

Appendix 2 Joint Liquidators' receipts and payment account

Hotels4u.com Limited - in Liquidation			
Abstract of receipts & payments			
Statement of affairs (£)		From 26/05/2021 To 25/05/2022 (£)	From 26/05/2020 To 25/05/2022 (£)
ASSET REALISATIONS			
	Foreign exchange overbilling	94,445.14	94,445.14
	Property rights/Patents	2,940.30	2,940.30
	Cash at bank (SoFA Uncertain)	NIL	NIL
	Intercompany debt (SoFA Uncertain)	NIL	NIL
12,400,000.00	HMRC VAT Refund	NIL	NIL
		104,885.44	104,885.44
OTHER REALISATIONS			
	Bank interest, gross	5.78	10.92
	Third party funds	NIL	50,000.00
		5.78	50,010.92
COST OF REALISATIONS			
	Legal fees	(109,061.50)	(109,061.50)
	Storage costs	NIL	(13,844.02)
	Statutory advertising	(283.50)	(283.50)
	Bank charges	NIL	(25.00)
		(109,345.00)	(123,214.02)
UNSECURED CREDITORS			
(77,208,003.00)	Trade & expense	NIL	NIL
		NIL	NIL
(64,808,003.00)		(4,453.78)	31,682.34
REPRESENTED BY			
	VAT receivable		21,869.00
	Current account		9,813.34
			31,682.34

Appendix 3 Schedule of expenses

Schedule of expenses (26/05/2021 to 25/05/2022)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
Cost of realisations			
Legal fees	109,061.50	0.00	109,061.50
Statutory advertising	283.50	0.00	283.50
TOTAL	109,061.50	0.00	109,345.00

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this report, you must do so in writing within 21 days of receiving this report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this report, you must do so by making an application to Court within eight weeks of receiving this report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant Rules can be provided on request by writing to Ella Damman-Smith at Interpath Advisory, 10 Fleet Place, London, EC4M 7RB.

Appendix 4 Joint Liquidators' charging and expenses policy

Joint Liquidators' charging policy

The time charged to the liquidation is by reference to the time properly given by us and our staff in attending to matters arising in the liquidation. This includes work undertaken in respect of in-house Interpath Advisory [tax], VAT, employee specialists.

Our policy is to delegate tasks in the liquidation to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Liquidators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

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

If you are unable to access this guide and would like a copy, please contact Ella Damman-Smith on 0203 989 2716.

Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this liquidation. Time is charged by reference to actual work carried out on the liquidation.

All staff who have worked on the liquidation, including cashiers and secretarial staff, have charged time directly to the liquidation and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the liquidation but is reflected in the general level of charge-out rates.

Partner	690	725
Director	620	675
Senior Manager	560	590
Manager	467	495
Senior Administrator	325	345
Administrator	236	245
Support	147	345

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidation. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of expenses

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

Expenses: These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. 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 expenses: These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Associates: are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath 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 Interpath Advisory passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following expenses (excluding VAT) during the period 26 May 2021 to 25 May 2022.

Postage	9.42	NIL	9.42
Stationery	4.65	NIL	4.65
Total	14.07	NIL	14.07

We have the authority to pay Category 1 expenses without the need for any prior approval from the creditors of the Company.

Category 2 expenses have been approved in the same manner as our remuneration.

Narrative of work carried out for the period 26 May 2021 to 25 May 2022.

The key areas of work have been:

Statutory and compliance	preparing statutory receipts and payments accounts; complying with statutory requirements; dealing with all related formalities; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	monitoring and reviewing the liquidation strategy briefing of our staff on the liquidation strategy and matters in relation to various work-streams; regular case management and reviewing of progress, including regular team update meetings and calls; meeting with management to review and update strategy and monitor progress; reviewing and authorising junior staff correspondence and other work; dealing with queries arising during the appointment; reviewing matters affecting the outcome of the liquidation; complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations; working initially on tax returns relating to the periods affected by the liquidation; analysing VAT related transactions; dealing with post appointment tax compliance.
Shareholders	responding to enquiries from shareholders regarding the liquidation; providing copies of statutory reports to the shareholders.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9.
Asset realisations	ongoing discussions with HMRC regarding the settlement of the TOMS Scheme claim reviewing the inter-company debtor position between the Company and other group companies.
Creditors and claims	updating the list of unsecured creditors; responding to enquiries from creditors regarding the liquidation and submission of their claims; reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; drafting our report.

Time costs

SIP 9 –Time costs analysis (26/05/2021 to 25/05/2022)			
	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	8.45	2,816.25	333.28
Reconciliations (& IPS accounting reviews)	0.30	73.50	245.00
General			
Books and records	11.80	3,835.00	325.00
Joint appointee	1.40	966.00	690.00
Statutory and compliance			
Appointment and related formalities	1.20	870.00	725.00
Checklist & reviews	12.10	5,262.70	434.93
Statutory receipts and payments accounts	0.30	97.50	325.00
Strategy documents	113.70	72,053.00	633.71
Tax			
Post appointment corporation tax	18.50	9,388.50	507.49
Post appointment VAT	4.30	2,663.00	619.30
Creditors			
Creditors and claims			
General correspondence	8.70	4,239.50	487.30
Legal claims	22.40	12,679.00	566.03
Payment of dividends	0.30	207.00	690.00
Pre-appointment VAT / PAYE / CT	9.30	4,241.50	456.08
Secured creditors	8.50	6,162.50	725.00
Statutory reports	25.30	10,901.50	430.89
Investigation			
Investigations			
Correspondence re investigations	19.80	6,757.00	341.26
Realisation of assets			
Asset Realisation			
Cash and investments	1.70	586.50	345.00
Other assets	17.70	9,982.50	643.57
Pre-appointment tax & VAT refunds	41.00	29,725.00	725.00
Total in period	326.75	183,507.45	561.61
Brought forward time (appointment date to SIP 9 period start date)	239.61	115,214.30	

SIP 9 –Time costs analysis (26/05/2021 to 25/05/2022)

	Hours	Time Cost (£)	Average Hourly Rate (£)
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	326.75	183,507.45	
Carry forward time (appointment date to SIP 9 period end date)	566.36	298,721.75	

Appendix 5 Glossary

Ashurst	Solicitor's name
Clarke Willmott	Solicitor's name
Company	Hotels4u.com Limited - in Liquidation
Interpath/Interpath Advisory	Interpath Ltd
Joint Liquidators/we/our/us	David Pike and David Standish
KPMG	KPMG LLP

Any references in this report to Sections, Paragraphs and Rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, and the Insolvency (England and Wales) Rules 2016 respectively.

Appendix 6 Notice: About this report

This progress report has been prepared by David Pike and David Standish, the Joint Liquidators of Hotels4u.com Limited (the 'Company'), solely to comply with their statutory duty under the Insolvency Rules (England and Wales) 2016 to provide members and creditors with an update on the progress of the liquidation of the estate, and for no other purpose.

This report is not suitable to be relied upon by any other person, or for any other purpose or in any other context including any decision in relation to the debt of or any financial interest in the Company. Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at their own risk. 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 individual creditors.

David John Pike and David John Standish are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – www.interpathadvisory.com/privacy-insolvency.

The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the liquidation.

www.interpathadvisory.com

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