

The Insolvency Act 1986

Administrator's progress report

Name of Company

Alan Dick & Company Limited

Company number

01007434

In the
High Court of Justice, Chancery Division,
Companies Court

(full name of court)

Court case number
531 of 2013(a) Insert full
name(s) and
address(es) of
administrator(s)We (a)
David Dunckley
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YUNicholas Wood
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

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

From

To

(b) Insert date

(b) 24 January 2013

(b) 23 July 2013

Signed

Joint Administrators

Dated

20/8/13

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

David Dunckley
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

DX Number

020 7184 4300
DX Exchange

SATURDAY



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24/08/2013

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COMPANIES HOUSE

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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



Our Ref DJD/PAM/RJJ/EZF/A00809/A00810/PF7

TO THE CREDITORS

Recovery and Reorganisation

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20 August 2013

Dear Sirs

Alan Dick & Company Limited (ADC)
Alan Dick & Company (Holdings) Limited (ADH) - Both in
Administration (the Companies)
High Court of Justice, Chancery Division, Companies Court
No's 531 of 2013 and 532 of 2013

1 Introduction

1 1 Following our appointment as joint administrators of the Companies by the directors on 24 January 2013, David Dunckley and I now report on the progress of the administrations to 23 July 2013 and attach

- Appendix A, an account of our receipts and payments for the period from 24 January 2013 to 23 July 2013 together with Form 2 24B
- Appendix B, a statement of the remuneration charged by the joint administrators in the period 24 January 2013 to 23 July 2013
- Appendix C, an analysis of our time costs as required by Statement of Insolvency Practice 9
- Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator (Rule 2 48A)
- Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses, if excessive (Rule 2 109)

1 2 Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners

1 3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them

Chartered Accountants

Member firm within Grant Thornton International Ltd
Grant Thornton UK LLP is a limited liability partnership registered in England and Wales No.OC307742. Registered office Grant Thornton House, Melton Street, Euston Square London NW1 2EP
A list of members is available from our registered office

Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address

2 Statutory information

- 2 1 The Companies' statutory details are as follows

Alan Dick & Company Limited

Registered number	01007434
Registered office	C/o Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB

Alan Dick & Company (Holdings) Limited

Registered number	04421228
Registered office	C/o Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB

3 Progress report

- 3 1 ADH is non-trading entity and does not have any known assets. Accordingly, a receipts and payments account for ADH is not enclosed as there have been no receipts and payments for the period 24 January 2013 to 23 July 2013
- 3 2 Our receipts and payments account for ADC covering the period 24 January 2013 to 23 July 2013 is attached at Appendix A
- 3 3 During the period the joint administrators have received refunds due to ADC totalling c£5,400

Assets

Alan Dick (Beijing) Telecom Equipment Co Limited (ADB)

- 3 4 ADB is a Chinese registered company and is owned by ADC. Prior to our appointment the directors of ADC had been in negotiations to sell ADC's shareholding. The sale of the shares was completed on 28 May 2013 with realisations of £93,890

Alan Dick & North Africa (ADN) and Al.An for Antenna Support S.A.E (AAS)

- 3 5 ADC owns ADN and 70% of AAS which are both Egyptian registered companies. Both ADN and AAS continue to trade in Egypt and the joint administrators are currently in correspondence with the directors of ADC with a view to agreeing a strategy in order to release any potential value in both companies. However, given current events in Egypt the timescale for any potential disposal is uncertain
- 3 6 To date ADC have received payments from ADN and AAS of £10,000 and c£41,000 respectively

Alan Dick & Co (Pakistan) Limited (ADP)

- 3 7 ADC owns ADP which is a Pakistan registered company. ADP is a dormant company and no longer trades. It is understood that ADP holds a modest cash balance although the exact amount is uncertain. The joint administrators are currently in correspondence with the directors of ADC with regard to the potential release of the cash held. However, any realisation strategy is dependent upon the liquidation of ADP which will be paid for from the cash balance held.

Alan Dick (Thailand) Co Limited (ADT) and Alan Dick Bangladesh (ABB)

- 3 8 ADC owns both ADT and ABB which are registered companies in Thailand and Bangladesh respectively. ABB is a branch of ADT. It is understood that both ADT and ABB hold cash balances. The joint administrators are currently in correspondence with the directors of ADC with regard to the potential release of the cash held. The likely timescale and quantum of any potential release of funds is uncertain, particularly in light of the Bangladesh foreign exchange restrictions.

Alan Dick Middle East (ADM) and Al Bawardi Alan Dick LLC (ABA)

- 3 9 ADC previously owned ADM and 49% of ABA which are both registered companies in the UAE. Following our appointment both companies continued to trade and were funded by HSBC Bank Plc (the Bank). Whilst both companies continued to trade, ADC and the directors were exposed to potential liabilities incurred by both ADM and ABA, which would be exacerbated in a close down.
- 3 10 Accordingly, in order to minimise the potential exposure to ADC and the directors and to minimise the costs to the Bank, a sale of ADM and ABA was completed on 10 May 2013. There were no realisations due to the Company in this regard.

Liabilities

Secured Creditors

- 3 11 The Bank holds fixed and floating charges over the Companies' assets and is owed approximately £100 million.
- 3 12 Barclays Bank Plc (Barclays) also holds a fixed and floating charge over the Companies' assets and is owed in the order of £25 million. The Bank's charge is held in priority to Barclays.
- 3 13 Based on current information it is likely there will be a significant shortfall to the Bank and Barclays.

Preferential Creditors

- 3 14 ADH did not have any employees. Therefore there will be no preferential creditors.

- 3 15 ADC had four employees who were made redundant with effect from 31 January 2013. To date the joint administrators have received notice of c£5,000 of preferential claims for unpaid wages and accrued holiday pay. Based on current information there is unlikely to be a distribution to the preferential creditors.
- 3 16 The joint administrators had previously agreed to settle the PAYE and NIC liabilities and pensions scheme contributions in respect of the final payroll which was paid prior to our appointment. The sum of c£10,606 has been paid to HMRC in relation to the PAYE and NIC liabilities and pension contributions of c£4,941 have been made.
- 3 17 The joint administrators retained the services of the financial director of ADC in order to assist with the sale of ADM and ABA and to assist with the realisation of the other assets detailed above. During this period the sum of £18,040 in net wages was paid to the financial director and £13,251 was paid to HMRC in respect of PAYE and NIC.
- 3 18 The financial director was made redundant with effect from 31 July 2013. The final payment of net wages and PAYE and NIC will be reflected in the receipts and payments account for the next progress report.

Unsecured Creditors

- 3 19 To date we have received unsecured claims against the Companies totalling c£200,000. On present information there is unlikely to be a dividend to the unsecured creditors.
- 3 20 In accordance with Section 176A of the Insolvency Act 1986, as the first floating charge which is held over the assets of the Companies post-dates 15 September 2003, a prescribed part is to be carved out of the floating charge assets and made available to the unsecured creditors of the each company. The calculation is applied to the net property, this being floating charge assets less the preferential creditors. The prescribed part is 50% of the first £10,000 of realisations and 20% of all further realisations up to £2,975,000.
- 3 21 The prescribed part carve out will only become payable if there are sufficient floating charge realisations. Based on current information it is unlikely there will be a distribution to the unsecured creditors via the prescribed part.

4 Joint administrators' remuneration and expenses

- 4 1 In accordance with Statement of Insolvency Practice (SIP 9), I attach as Appendix C a summary of our time costs to 23 July 2013 by grade of staff and type of work. This shows total time costs of £54,391, representing 187 hours at an average of £291 per hour for ADC and time costs of £50,263, representing 138 hours at an average of £368 per hour for ADH.
- 4 2 Our fees for acting as joint administrators will be calculated by reference to our time costs and approval for our fees will be sought from the Bank. No fees have been drawn to date.
- 4 3 Background information regarding the fees of administrators can be found at www.insolvency-practitioners.org.uk (navigate via 'Regulation and Guidance' to 'Creditors

Guides to Fees') Alternatively, we will supply this information by post on request Time is charged in 6 minute units

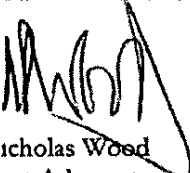
5 Other expenses incurred by the joint administrators

5 1 In respect of other expenses incurred by the joint administrators, we have incurred the following significant expenses.

- Legal fees incurred for engaging Hogan Lovells LLP (HL) total approximately £117,717, of which c£13,195 has been paid at present. This relates primarily to advising on the disposal of ADB, ADM and ABA.

Should you have any queries regarding this matter please do not hesitate to contact my colleague James Ruthven on 020 7728 2875

Yours faithfully
for and on behalf of the Companies



Nicholas Wood
Joint Administrator

The affairs, business and property of the Companies are being managed by David Dunckley and Nicholas Wood, appointed as joint administrators on 24 January 2013

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APPENDIX A**ALAN DICK & COMPANY LIMITED - IN ADMINISTRATION****JOINT ADMINISTRATORS' ABSTRACT OF RECEIPTS AND PAYMENTS****FOR THE PERIOD FROM 24 JANUARY 2013 TO 23 JULY 2013****24 January 2013 -
23 July 2013
£****RECEIPTS**

Sale of shares in Alan Dick (Beijing) Telecom Equipment Co Limited	93,889 77
Payments from Alan Dick & North Africa & Al An for Antenna Support S.A E	51,340 00
Utility Refund	3,799 15
Misc Refund	1,302 98
Insurance Refund	297 10
Bank Interest	181 88
TOTAL RECEIPTS	150,810 88

PAYMENTS

Professional Fees	2,073 70
Rent Payable	1,425 00
Net Wages	18,040 06
PAYE/NIC	23,857 09
Employee pension scheme contributions	4,940 91
Legal Fees	13,194 89
Distribution to Lloyds Bank Plc	19,986 16
Re-Direction of Mail	120 00
Bank Charges	63 58
Stationary & Postage	283 54
VAT Recervable	6,286 21
TOTAL PAYMENTS	90,271 14

Balance held as at 23 July 2013**60,539 74**

B Remuneration charged and expenses incurred by the administrators in the period

	Charged/incurred in period 24/01/2013 to 23/07/2013	Cumulative charged/incurred to 23/07/2013	Of which paid to 23/07/2013
	£	£	£
Joint administrators' fees			
ADC	54,391	54,391	-
ADH	50,263	50,263	-
Legal fees			
Hogan Lovells LLP	117,717	117,717	13,195

C SIP 9 information

Introduction

The following information is provided in connection with the administrators' remuneration and disbursements in accordance with SIP 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it

	From 01/07/12	From 01/07/13
	£	£
Partners up to	580	600
Managers up to	440	455
Administrators up to	310	320
Assistants and support staff up to	210	220

Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.

APPENDIX C

Alan Dick & Company Limited - In Administration

SIP 9 Time Cost Analysis for the period 24 January 2013 to 23 July 2013

Detailed Work Description	Partner Hrs	£	Manager Hrs	£	Executive Hrs	Admin/Support Hrs	£	Total Hrs	Total £	Average £/hr
Administration and Planning	12.00	6,960	31.35	12,605	65.65	19.165	38.85	147.85	44,650	302
Creditors	-	-	0.65	260	11.90	3.689	1,263	20.90	5,212	249
Realisations of Assets	-	-	-	-	48.80	15.069	841	18.15	4,530	250
Total time costs for the period	12.00	6,960	32.00	12,865	126.35	37.943	5,003	186.90	54,391	291

Alan Dick & Company (Holdings) Limited - In Administration

SIP 6 Time Cost Analysis for the period 20 January 2013 to 23 July 2013

Detailed Work Description	Partner Hrs	£	Manager Hrs	£	Executive Hrs	Admin/Support Hrs	£	Total Hrs	Total £	Average £/hr
Administration and Planning	9.05	5,405	80.05	35,109	19.35	15.85	2,355	124.30	47,079	379
Creditors	-	-	-	-	4.25	-	-	4.25	1,345	316
Realisations of Assets	-	-	-	-	0.80	3.90	494	8.15	1,839	226
Total time costs for the period	9.05	5,405	80.05	35,109	24.40	19.75	2,849	138.70	50,263	368

D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator

Rule 2 48A

- (1) If
 - (a) within 21 days of receipt of a progress report under Rule 2 47 -
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the administrator considers that
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) 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
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of -
 - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses if excessive

Rule 2 109

- (1) 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 the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
 - (a) the remuneration charged by the administrator,
 - (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
 - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
 - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration