

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

01007434

Name of Company

Alan Dick & Company Limited

We

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

Nicholas S Wood, Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU

the liquidators of the company attach a copy of our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 9 July 2015 to 8 July 2016

Signed

Date

28/07/2016

Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

Ref A00945/DJD/PAM/RJJ/EZF

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Our Ref DJD/PAM/RJJ/EZF/A00945/

To the creditors and members

Recovery and Reorganisation

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28 July 2016

Dear Sirs

Alan Dick & Company Limited - In Liquidation

1 Introduction

1.1 Following my appointment as joint liquidator of the above company with Nicholas S Wood on 9 July 2014, in accordance with section 104A of the Insolvency Act 1986 I now report on the progress of the liquidation for the year ended 8 July 2016 and attach

- Appendix A, an account of our receipts and payments for the year ended 8 July 2016 and also for the whole liquidation to date
- Appendix B, a statement of the remuneration charged by the joint liquidators in the period 9 July 2015 to 8 July 2016 and a statement of expenses incurred in the period
- Appendix C, an analysis of 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 liquidator (rule 4.49E)
- Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive (rule 4.131)

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

2 Statutory information

2.1 The company's statutory details are as follows

Registered number 01007434

Registered office c/o Grant Thornton UK LLP,
4 Hardman Square, Spinningfields,
Manchester

3 Progress report

Assets

No statement of affairs has been prepared for the liquidation. The only assets transferred from the administration are the surplus totalling £134,278 and the cash balance held in Alan Dick (Thailand) Co Limited

Chartered Accountants

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Alan Dick (Thailand) Co Limited (ADT)

- 3 1 As previously advised, the Company owns ADT which is a Thailand registered company I can confirm that ADT has been wound up and the balance of £9,455 has been received into the liquidation estate

Miscellaneous receipt

- 3 2 Miscellaneous funds of £22,472 have been received in the period

Nortel Networks UK Limited

- 3 3 A claim has been submitted in the administration of Nortel Networks UK Limited (Nortel) totalling \$174,000 (USD) A dividend is expected to be paid by 30 September 2016
- 3 4 At present, the administrators are unable to provide any further update on the quantum and timing of the dividend
- 3 5 The case is to remain open until the funds have been received from Nortel

Liabilities

Secured creditors

- 3 6 Lloyds Bank Plc (the Bank) holds fixed and floating charges over the Company's assets and is owed approximately £100 million as a result of the Company cross-guaranteeing the group's borrowing
- 3 7 The sum of £35,000 has been distributed to the Bank in the period
- 3 8 Barclays Bank Plc (Barclays) also holds a fixed and floating charge over the Company's assets and is owed £25 million The Bank's charge ranks ahead of Barclays' charges
- 3 9 Based on current information there will be a significant shortfall to the Bank and Barclays

Preferential creditors

- 3 10 Preferential creditors totalling £6,819 were paid in full on 6 November 2015

Unsecured creditors

- 3 11 I have received and agreed unsecured creditor claims totalling £383,398
- 3 12 In accordance with section 176A of the Insolvency Act 1986, as the first floating charge which is held over the assets of the Company post-dates 15 September 2003, a prescribed part is to be carved out of the floating charge assets
- 3 13 The prescribed part carve out is payable when there is sufficient floating charge realisations It is likely there will be a distribution to the unsecured creditors via the prescribed part, although the quantum and timing will be dependent on the receipt of the dividend from Nortel and the final balance of agreed claims
- 3 14 Creditors who have yet to submit a claim in the liquidation are invited to do so using the attached claim form

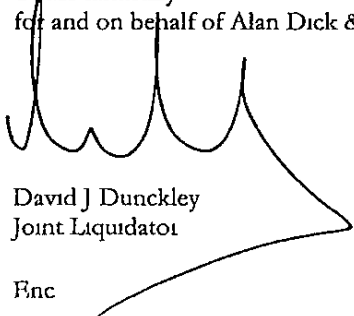
4 Joint liquidators' remuneration and expenses

- 4.1 Our fees for acting as the joint administrators were fixed by reference to our time costs and approved by the secured and preferential creditors
- 4.2 Pursuant to rule 4.127(5A) of the Insolvency Rules 1986, this basis applies also in the liquidation
- 4.3 You will note from the SIP 9 table attached at Appendix C that our time costs for the liquidation to date are £122,999 and from the receipts and payments account attached at Appendix A, that we have drawn £66,683. Time costs of £16,868 incurred in the period but not drawn as remuneration to date are disclosed in Appendix B
- 4.4 Time is charged in units of 6 minutes. Background information regarding the fees of liquidators can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively I will supply this information by post on request

5 Other expenses incurred by the joint liquidators

- 5.1 I attach at Appendix B, a summary of all expenses incurred or accrued to date

Yours faithfully
for and on behalf of Alan Dick & Company Limited



David J. Dunckley
Joint Liquidator

Enc

Alan Dick & Company Limited - in liquidation
 Summary of receipts and payments
 from 9 July 2014 to 8 July 2016

Statement of Affairs £	From 09/07/2014 to 08/07/2015 £	From 09/07/2015 to 08/07/2016 £	Total £
Receipts			
Administrator's Surplus	134,277 89	0 00	134,277 89
Alan Dick Thailand	0 00	9,454 75	9,454 75
Misc Float Receipts	0 00	22,472 47	22,472 47
HMRC - VAT received/paid	7,016 92	0 00	7,016 92
	141,294 81	31,927.22	173,222.03
Payments			
Administrators Fees	35,000 00	0 00	35,000 00
Liquidator's fees	0 00	66,682 72	66,682 72
Legal Fees (1)	2,500 00	0 00	2,500 00
Statutory Advertising	84 60	84 60	169 20
Bank Charges	45 00	0 00	45 00
Preferential Creditors (All)	0 00	6,819 17	6,819 17
Floating Charge Creditor	0 00	35,000 00	35,000 00
Vat on Purchases	7,016 92	13,353 46	20,370 38
	44,646 52	121,939.95	166,586 47
Net Receipts/(Payments)	96,648 29	(90,012.73)	6,635 56
Made up as follows			
Floating Current Account NIB	96,648.29	(90,012 73)	6,635 56
	96,648.29	(90,012 73)	6,635.56

B Remuneration charged and expenses incurred by the joint liquidators in the period

	Charged/incurred in period 09/07/2015 to 08/07/2016	Cumulative charged/incurred to 08/07/2016	Of which paid to 08/07/2016
	£	£	£
Joint liquidators' fees			
Time costs	16,868	122,999	66,683
Expenses	-	-	-
Legal fees			
Altaf & Altaf Associates	-	2,500	2,500

C SIP 9 information

Introduction

The following information is provided in connection with the liquidators' 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 01/07/14 to date
	£
Partners up to	740
Managers up to	470
Administrators up to	345
Assistants and support staff up to	230

Disbursements

Out of pocket expenses are charged at cost and mileage is charged at standard rates. VAT is added to disbursement charges as necessary.

Alan Dick & Company Limited - In CVL - A30200945 - SIP 9 TIME COST ANALYSIS

Transaction period 09/07/2014 to 08/07/2016

	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hrfly Rate
Administration and Planning	68	418.20	8 85	3,424.50	31 03	8,790.00	16 25	2,500.25	56 81	15,132.95	266.38
Creditors					28 93	8,272.70	9 25	1,000.00	38 18	9,272.70	242.87
Hiatus period											
Investigations							50	80.00	50	80.00	160.00
Pensions			80	450.00					90	450.00	500.00
Realisation of Assets					14 30	4,639.00	1 35	168.00	15 65	4,807.00	307.16
Taxation			3 90	1,705.00	10 25	90,197.35	9 70	1,354.25	23 85	93,256.60	3,910.13
Trading											
Total	68	418.20	13 65	5,679.50	84.61	111,899.05	37 05	6,102.60	135 89	122,999.25	905.14

Total fees billed to date (Time) : £ 66,683

Alan Dick & Company Limited - in CVL - A30200945 - SIP 9 TIME COST ANALYSIS

Transaction period 09/07/2015 to 08/07/2016

	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hnly Rate
Administration and Planning (incl statutory reporting)	60	369.00	6.05	2,178.50	21.80	5,989.50	9.85	1,465.00	38.40	10,002.00	260.47
Chargeholders (incl bank reporting)					11.55	2,911.50			11.55	2,911.50	252.08
Corporation Tax			1.40	630.00			3.90	468.00	5.30	1,098.00	207.17
Hiatus period									00		
Investigations and reports on directors									00		
Legal									.00		
PAYE and VAT					75	187.50	40	32.00	1.15	219.50	190.87
Pensions									00		
Preferential creditors					2.88	696.20	2.75	440.00	5.63	1,136.20	201.81
Realisation of Assets Debtors					1.25	332.50	1.05	144.00	2.30	476.50	207.17
Realisation of Assets Other assets					85	280.50			85	280.50	330.00
Realisation of Assets Property plant vehicles etc (incl HP leasing and third party)					30	89.00			.30	99.00	330.00
Realisation of Assets Stock and WIP (incl ROT)									.00		
Sale of business									.00		
Trading									00		
Unsecured creditors					50	165.00	5.50	480.00	6.00	645.00	107.50
Total	60	369.00	7.45	2,808.50	39.88	10,661.70	23.55	3,029.00	71.48	16,858.20	235.98

Total fees billed to date (Time) - £ 66,683

Alan Dick & Company Limited - in Liquidation
Costs incurred in the period 9 July 2015 to 8 July 2016

TASKS	Incurred in the period		
	Av Hrlly Rate	Hrs	£
STATUTORY AND ADMINISTRATIVE TASKS	260	38	10,002
Case planning			
File reviews			
Bank account administration (treasury)			
Internal discussions/meetings			
Reports to creditors			
CREDITORS	202	23	4,693
Creditor correspondence			
Reviewing and logging proof of debts			
Preferential creditors and distribution of funds			
Correspondence with secured creditor and distributions			
REALISATION OF ASSETS	248	3	856
Submitting claim in administration of Nortel			
Liaising with administrators of Nortel			
Corresponding with ADI re funds			
TAXATION	204	6	1,318
Tax compliance			
Total costs	236	71	16,868

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

Rule 4 49E edited for application to a progress report in a creditors' voluntary liquidation

- (1) If
 - (a) within the period mentioned in paragraph (2)
 - (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 the period mentioned in paragraph (2), any unsecured creditor makes a request in writing to the liquidator for further information about remuneration or expenses set out in the progress report, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of a matter which was previously included in a progress report
- (2) The period referred to in paragraph (1)(a) is 21 days of receipt of the progress report
- (3) The liquidator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the liquidator 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 liquidation or might reasonably be expected to lead to violence against any person, or
 - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (4) Any creditor, who need not be the same as the creditor who requested further information, may apply to the court within 21 days of -
 - (a) the giving by the liquidator 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
- (5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 4 131(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 liquidator's remuneration or expenses if excessive

Rule 4 131

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the 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 by a creditor may be made on the grounds that -
 - (a) the remuneration charged by the liquidator,
 - (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
 - (c) expenses incurred by the liquidator,
 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 4 49E(5), be made no later than 8 weeks (or in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report or the draft report under Rule 4 49D, 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 the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice, but which is without notice to any other party
If the application is not dismissed under this paragraph, 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 liquidator 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 liquidator 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 liquidation
 - (e) an order that the liquidator or the liquidator'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 liquidation