

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 3 9 5 8 5 3 3

Company name in full Dial4aLoan Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Nicholas James

Surname Timpson

3 Liquidator's address

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

4 Liquidator's name ①

Full forename(s) Mark Jeremy

Surname Orton

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L


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	1	^d	6	^m	1	^m	2	^y	2	^y	0	^y	1	^y	9
To date	^d	1	^d	5	^m	1	^m	2	^y	2	^y	0	^y	2	^y	0
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	1	^d	0	^m	0	^m	2	^y	2	^y	0	^y	2	^y	1

**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 **Harry Short**

Company name **KPMG LLP**

Address **15 Canada Square**

Canary Wharf

Post town **London**

County/Region

Postcode **E 1 4 5 G L**

Country

DX

Telephone **Tel +44 (0) 20 7311 1000**

**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

Dial4aloan Limited – in Members’ Voluntary Liquidation (‘the Company’ or ‘D4AL’)

Joint Liquidators’ annual progress report of the liquidation for the period from 16 December 2019 to 15 December 2020

Name	Dial4aloan Limited
Trading name / Former names	Dial4aloan
Company number	03958533
Previous registered office	C/O Welcome Finance Mere Way, Ruddington Fields Business Park, Ruddington, Nottingham NG11 6NZ
Present registered office	KPMG LLP, 15 Canada Square, London E14 5GL
Joint Liquidators	Nick Timpson and Mark Orton
Joint Liquidators’ address	KPMG LLP, 15 Canada Square, London E14 5GL
Date of appointment	16 December 2019
Appointed by	Members

2.2 Intercompany debtors

The Company has a claim in the creditors' voluntary liquidation of its sister company, Welcome Financial Services Limited ('WFSL') – in creditors' voluntary liquidation ('CVL'), in the sum of £12,633,634. D4AL's directors estimated in their Declaration that D4AL would receive a first and final dividend from the CVL of WFSL of £113,000 (equating to c.0.9 pence in the pound). Current indications are that a dividend of c.0.9 pence in the pound will be declared by the joint liquidators of WFSL in the first quarter of 2021.

2.3 Bank interest gross

The interest received on funds held in the liquidation estate bank account during the first year of the liquidation totalled £654.

3. Costs of realisations

3.1 Contribution towards WFSL staff costs

Prior to liquidation, WFSL's customer relations team dealt with the processing of customer complaints in respect of WFSL and the Company. The Joint Liquidators of WFSL retained customer relations team staff to assist with the processing of customer claims in the CVL of WFSL. As a member of WFSL's retained staff was experienced in dealing with D4AL customer complaints and correspondence, the Joint Liquidators of WFSL agreed to the staff member assisting with the processing of customer claims received in the Company's liquidation, subject to the Company's liquidation estate paying the staff members' reasonable time costs. During the year, £579 was paid to the CVL estate of WFSL on account of 44 hours of the staff member's time.

4. Creditors

4.1 Guaranteed Creditors

The Company is a member of the Cattles Limited ('Cattles') group. On 2 March 2011 Cattles announced that its group restructuring schemes had become effective. As part of the schemes, D4AL, one of the Guarantor Companies ('the Guarantor Companies') signed a deed of compromise (referred to as 'the Co-Guarantors Compromise Deed') in relation to the guarantees given by the Company under a number of Cattles bank facility agreements and note agreements.

Under the Co-Guarantors Creditor Scheme, each of the Guarantor Companies' guarantor obligations were limited to an amount equal to its net assets. The Guarantor Companies had guaranteed Cattles' debt under a number of Cattles bank facility agreements and note agreements, and the Guarantor Companies owed guarantor obligations to different guaranteed creditors (the 'Guaranteed Creditors'). The Guaranteed Creditors have deed claims against the Company totalling £1,063,279,458.

Under the Co-Guarantor Compromise Deed, the deed claims of Guaranteed Creditors are subordinated to the claims of non-Guaranteed Creditors. Consequently, the Guaranteed Creditors will only receive a dividend from the remaining funds in the Company's liquidation estate (the 'Net Assets') after the costs of liquidation and the claims of non-Guaranteed Creditors have been settled in full together with statutory

interest under section 189 of the Insolvency Act 1986 ('s189 Interest'). The Insolvency Act 1986 requires s189 Interest to be paid to all classes of creditor (including the Guaranteed Creditors).

The Guaranteed Creditors agreed, under the Co-Guarantors Compromise Deed, to their Deed Claims being shrunk to fit the net assets of D4AL (on a pro rata basis). The Joint Liquidators will therefore calculate the value of the shrunk to fit claims before declaring a final dividend to creditors. The shrunk to fit claims (which will be the Guaranteed Creditors' admitted claims in D4AL's liquidation estate) must be shrunk to fit an amount low enough to enable the Guaranteed Creditors to also be paid s189 Interest (i.e. the Guaranteed Creditors' shrunk to fit claims plus s189 Interest will equal the Net Assets in D4AL's liquidation estate).

4.2 Non-Guaranteed Creditors

The 'Other liabilities' referred to in the Declaration relate to the potential claims of Non-Guaranteed Creditors. Following their appointment, the Joint Liquidators wrote to 2,063 former customers of the Company's licenced credit broking business, giving them notice of their intention to declare a sole dividend to creditors and giving them notice to submit a claim by a deadline of 19 February 2020 (the 'Notice of Intended Dividend').

The Notice of Intended Dividend was also published in The Sun, The Daily Mail and The Metro on 20 January 2020, and in the London Gazette on 30 December 2019.

Under Insolvency Legislation, the Joint Liquidators are required to declare and pay a dividend to non-Guaranteed Creditors within two months of the final date for submitting claims of 19 February 2020. However, as the two-month period coincided with the original onset of the Covid-19 pandemic, the resulting disruption to our normal business practices meant that we were unable to pay the distribution to creditors within the intended timeframe. As the Joint Liquidators were not in a position to declare the dividend by the two month deadline, they were required under the Insolvency Legislation to issue a new Notice of Intended Dividend to all potential creditors who had not yet submitted a claim (the deadline for claims is 26 February 2021 and the sole dividend will be declared within two months of that date).

To date, 71 claims have been received from Non-Guaranteed Creditors. The Joint Liquidators will adjudicate all claims received following the expiry of the 26 February 2021 deadline.

5. Tax

All pre-liquidation corporation tax matters were handled by Deloitte who prepared and submitted all outstanding returns up to the date of the commencement of the liquidation to HM Revenue & Customs ('HMRC'). The Joint Liquidators have requested that HMRC confirm that the Company has no outstanding corporation tax returns or liabilities, that it would not raise enquiries into any pre or post liquidation periods and that it has no objection to the Liquidators taking steps to bring the liquidation to a conclusion.

A similar assurance has been sought from HMRC in respect of PAYE and VAT matters.

The Company is partially exempt for VAT purposes and is unable to recover 98% of its input VAT.

6. Distributions

No distribution was made to shareholders in the period. There will be no surplus funds available to make a distribution to shareholders after the 'shrink to fit' claims of Guaranteed Creditors are settled together with s189 interest (see 'Creditors' above).

7. Joint Liquidators' remuneration and expenses

A written resolution was passed on 16 December 2019 that the remuneration of the Joint Liquidators be fixed at their normal charging rates according to the time properly spent by them and members of their staff in attending to matters arising in the winding up of the Company.

I attach as Appendix 1 a schedule summarising the Joint Liquidators' time costs by grade of staff and activity. During the period of this report, the Liquidators' time costs amounted to 228.95 hours at a total cost of £93,707.65 plus VAT (£112,449.18 gross).

As the Guaranteed Creditors have the financial interest in the assets and level of payments from the Company's liquidation, the Joint Liquidators will seek approval of their fees from the Guaranteed Creditors.

8. Schedule of expenses for the period from 16 December 2019 to 15 December 2020

The Joint Liquidators' fees and liquidation expenses that have been paid or accrued during the year total £103,797 plus VAT (£124,556.75 gross) and are summarised as follows:

	Paid	Accrued	Total
Joint Liquidators' remuneration	£0.00	£93,707.65	£93,707.65
Statutory advertising fees	£0.00	£7,506.20	£525.60
External printing costs	£0.00	£453.86	£453.86
Postage costs	£0.00	£1,360.54	£1,360.54
Statutory bond	£0.00	£190.00	£190.00
Contributions to WFSL staff costs	£579.04	£0.00	£579.04
	£579.04	£103,218.25	£103,797.29

In accordance with Rules 18.9 and 18.34 of the Rules, members may request further information about the remuneration and expenses of the Joint Liquidators of the Company, or apply to court to challenge the Joint Liquidators' remuneration and expenses on the grounds that they are excessive or that the basis fixed for remuneration is inappropriate.

9. Closure

Once tax clearance has been obtained from HMRC and the deadline for claims has elapsed, the Joint Liquidators will proceed to adjudicate creditor claims, make a sole distribution to creditors and finalise the liquidation.

*Dial4aloan Limited - in Members' Voluntary Liquidation
Joint Liquidators' annual progress report for the period from
16 December 2019 to 15 December 2020*

Signed 
Nick Timpson
Joint Liquidator

This progress report has been prepared by Nicholas James Timpson and Mark Jeremy Orton, the Joint Liquidators of the Company, solely to comply with their statutory duty under Rule 18.7 of the Insolvency (England and Wales) Rules 2016 to provide members 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 investment decision in relation to any 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 Rule 18.7 of the Insolvency (England and Wales) Rules 2016 does so at their own risk. Any estimated outcomes for members included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for members.

Nicholas James Timpson and Mark Jeremy Orton are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England & Wales.

They are bound by the Insolvency Code of Ethics.

The appointments of the Joint Liquidators 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 liquidation.

As officeholders, the Joint Liquidators 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 – home.kpmg.com/uk/en/home/misc/privacy-policy-insolvency-court-appointments.html.

Dial4aloan Limited - in Members' Voluntary Liquidation
SIP9 Time cost analysis for the period from 16 December 2019 to 15 December 2020

Appendix 1

Grade of staff		Partner	Director	Associate Director	Manager	Assistant Manager	Administrator			
Hourly rates	2019	£875	£775	£675	£540	£395	£300			
	2020	£920	£810	£710	£565	£415	£315			
								Total Hours	Time Cost	Average Hourly Rate
Statutory and compliance	-	2.40	24.55	1.70	6.70	20.00		55.35	£22,500.05	£406.50
Director/member correspondence	-	-	2.30	0.30	-	-		2.60	£1,385.50	£532.88
Asset Realisation	-	0.20	1.85	-	-	2.40		4.45	£1,710.90	£384.47
Cashiering	-	0.20	-	-	2.60	3.20		6.00	£1,713.20	£285.53
Creditors	0.40	6.20	72.35	6.10	8.40	61.80		155.25	£64,735.00	£416.97
Pre-liquidation tax	-	0.70	0.30	0.20	-	4.10		5.30	£1,663.00	£313.77
Total in period		0.40	9.70	101.35	8.30	17.70	91.50	228.95	£93,707.65	£409.29

All staff who have worked on this assignment, including cashiers 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 general level of charge out rates. All time is charged in units of six minutes.