

The Insolvency Act 1986

Liquidator's Progress  
Report**S.192**Pursuant to section 192 of the  
Insolvency Act 1986

To the Registrar of Companies

For official use

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Company Number

04221841

Name of Company

(a) Insert full name of  
company

(a) Republic (UK) Limited

(b) Insert full name(s) and  
address(es)

We, (b) R H Kelly and J P Sumpton of Ernst & Young LLP, 1 Bridgewater Place,  
Water Lane, Leeds, LS11 5QR, and  
A M Hudson of Ernst & Young LLP, 1 More London Place, London, SE1 2AF

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

Signed



Date

15/3/17

Presenter's name,  
address and reference  
(if any)

B Leach

Ernst & Young LLP, 1 Bridgewater Place, Water  
Lane, Leeds, LS11 5QR

RHK/JPS/BL/PCF11

For Official Use

Liquidation Section

Post Room

THURSDAY



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16/03/2017

#219

COMPANIES HOUSE

TO ALL KNOWN MEMBERS AND CREDITORS

15 March 2017

Ref: RHK/JPS/BL/PCF11

Direct line: 0113 298 2224

Direct fax: 0113 298 2206

Email: [bleach@uk.ey.com](mailto:bleach@uk.ey.com)

Dear Sirs

## **Republic (UK) Limited - In Creditors' Voluntary Liquidation ("the Company")**

On 10 February 2014, R H Kelly, A M Hudson and I were appointed as Joint Liquidators of the Company. I write to provide you with our report on the progress of the Liquidation for the period from 10 February 2016 to 9 February 2017.

In accordance with the provisions of the Insolvency Rules 1986 we are required to provide certain information about the Company and the Joint Liquidators. The information can be found in Appendix A of this report.

### **Progress during the period of the report**

As previously reported, the shares in Guild have no realisable value as it will be unable to pay its creditors in full. Therefore, the Company's only realisable asset is the intercompany debt of c.£49m which ranks as an unsecured claim against Guild.

The amount recovered from this claim is entirely dependent on the quantum of unsecured creditor claims admitted for dividend purposes by the Liquidators of Guild. Current estimates indicate that a dividend will be in the region of £0.2m and will be received from Guild within the next 6 months.

There are no further assets to realise in the Liquidation of the Company.

### **Receipts and payments account**

There have been no receipts or payments during the period covered by this report and currently the Company does not hold any funds.

### **Outcome for creditors**

The Joint Liquidators do not expect any distribution to unsecured creditors other than under the Prescribed Part, a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Insolvency Act 1986.

As stated above, the value of the Company's sole asset is entirely dependent on the dividend received from Guild and our current estimates indicate that this dividend may be in the region of c.£0.2m, which would result in a Prescribed Part distribution of c.£43,000.

The Joint Liquidators will make a distribution to the Company's unsecured creditors once the dividend is received from Guild.

## Joint Liquidators' remuneration

The basis of remuneration fixed in the Administration of the Company continues to apply in the Liquidation in accordance with Rule 4.127 of the Insolvency Rules 1986. Accordingly, the Joint Liquidators' remuneration is fixed on the basis of time properly given by the Joint Liquidators and their staff in attending to matters arising in the Liquidation.

During the Liquidation, we have incurred time costs of £23,206, against which no fees have been drawn.

An analysis of the time spent and a statement of our policy in relation to charging time can be found at Appendix B to this report.

## Joint Liquidators' statement of expenses incurred

During the period covered by this report, expenses totalling £109.89 plus VAT have been incurred. The expenses are summarised as follows:

Type of expense	Category	Incurred (£)	Paid (£)	Outstanding (£)
Statutory advertising	1	84.60	-	84.60
Courier services	1	25.29	-	25.29
<b>Totals</b>		<b>109.89</b>	<b>-</b>	<b>109.89</b>

## Creditors' rights to further information about, and challenge, remuneration and expenses

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive. Further information is provided in Appendix C.

Should you have any queries regarding this report, please do not hesitate to contact my colleague Matt Green on the above direct line.

Yours faithfully  
for the Company



JP Sumpton  
Joint Liquidator

R H Kelly is licensed in the United Kingdom to act as an insolvency practitioner by The Institute of Chartered Accountants of Scotland. J P Sumpton and A M Hudson are licensed in the United Kingdom to act as insolvency practitioners by The Association of Chartered Certified Accountants.

We may collect, use, transfer, store or otherwise process (collectively, "Process") information that can be linked to specific individuals ("Personal Data"). We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act 1998.

## **Republic (UK) Limited - In Creditors' Voluntary Liquidation**

### **Information about the company and the liquidators**

Registered office address of the company:	c/o Ernst & Young LLP 1 Bridgewater Place Water Lane Leeds LS11 5QR	
Registered number:	04221841	
Full names of the Joint Liquidators:	R H Kelly, J P Sumpton and A M Hudson	
Joint Liquidators' addresses:	Ernst & Young LLP 1 Bridgewater Place Water Lane Leeds LS11 5QR	Ernst & Young LLP 1 More London Place London SE1 2AF
Date of appointment of the Joint Liquidators:	10 February 2014	
Details of any changes of Liquidator:	None	

## Republic (UK) Limited - In Creditors' Voluntary Liquidation

### Joint Liquidators' time costs for the period from 10 February 2014 to 9 February 2017

Hours	Partner	Assistant Director	Executive	Analyst/ Support	Total
Accounting and Administration	-	8.0	17.5	5.3	30.8
Bank & Statutory Reporting	3.0	2.0	1.1	8.2	14.3
Immediate Tasks	-	1.5	6.0	-	7.5
Investigation/CDDA	-	-	-	9.1	9.1
Statutory Duties	-	4.5	4.0	0.9	9.4
VAT & Taxation	-	-	1.4	10.9	12.3
<b>Total</b>	<b>3.0</b>	<b>16.0</b>	<b>30.0</b>	<b>34.4</b>	<b>83.4</b>
<b>Time Costs (£)</b>	<b>1,950</b>	<b>7,040</b>	<b>7,452</b>	<b>6,764</b>	<b>23,206</b>
<b>Average Hourly Rate (£)</b>	<b>650</b>	<b>440</b>	<b>248</b>	<b>197</b>	<b>278</b>

### Joint Liquidators' charging policy for remuneration

The secured creditors have determined that the Joint Liquidators' remuneration should be fixed on the basis of time properly spent by the Joint Liquidators and their staff in attending to matters arising in the Liquidation.

The Joint Liquidators have engaged a manager and other staff to work on the cases. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the Company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Joint Liquidators.

All time spent by staff working directly on case-related matters is charged to a separate time code established for each case. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown below, as are the current hourly rates used. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by this report. Time is recorded in units of six minutes.

Effective from	Hourly rate		
	01 July 2016	01 July 2015	01 July 2014
Partner	710	660	630
Executive Director	660	630	600
Assistant Director	500	475	450
Senior Executive	390	370	350
Executive	280	265	250
Analyst			
Level 1	225	215	205
Level 2	170	160	150
Level 3	150	145	140
Account & Treasury Executive	135	130	125

## **Creditor's rights to request further information about remuneration or expenses or to challenge a liquidator's remuneration - Rules 4.49E and 4.131 of the Insolvency Rules 1986 (as amended)**

### **4.49E Creditors' request for further information**

(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

(iii) (b) with the permission of the court upon an application made within the period mentioned in paragraph

(2)—

(i) any unsecured creditor, or

(ii) makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4.49B(1)(e) or (f) (including by virtue of Rule 4.49C(5)) or in a draft report under Rule 4.49D, 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 matter in a draft report under Rule 4.49D or a progress report required by Rule 4.108 which (in either case) was previously included in a progress report not required by Rule 4.108.

(2) The period referred to in paragraph (1)(a) and (b) is—

(a) 7 business days of receipt of the progress report where it is required by Rule 4.108, and

(b) 21 days of receipt of the report or draft report in any other case.

(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 creditors who asked for the 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 or, as the case may be, 4 weeks provided for in Rule 4.131(1B) or 4.148C(2) by such further period as the court thinks just.
- (6) This Rule does not apply where the liquidator is the official receiver.

#### **4.131 Creditors' claim that remuneration is or other expenses are excessive**

(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 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 sufficient 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.

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