

Liquidator's Progress Report

S.192

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

Company Number

5727489

To the Registrar of Companies

Name of Company

AL Residual Realisations 2008 Limited

I / We

Kevin J Hellard, 30 Finsbury Square, London, EC2P 2YU

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 05/10/2013 to 4/10/2014

Signed



Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Date

29/10/14

THURSDAY



A33

A3JLR1D6

30/10/2014

#206

COMPANIES HOUSE

Our Ref KJH/TPB/KZE/CES/A00761/
Your Ref

To the creditors and mem



COMPANIES HOUSE

Recovery and Reorganisation

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24 October 2014

Dear Sirs

**AL Residual Realisations 2008 Limited - in liquidation
("the Company")**

1 Introduction

1 1 As you will recall the Company had previously been in administration from 21 July 2008 with Mr Paul Webb of Mayfields Insolvency Practitioner as administrator. I was appointed in his place together with S J Hunt of Griffins by Order of the High Court of Justice on 16 April 2009. Mr Hunt resigned as joint administrator on 20 December 2011. In accordance with paragraph 83(1) of the Insolvency Act 1986 the Company entered into creditors voluntary liquidation on 5 October 2012 when I was appointed as liquidator. In accordance with section 104A of the Insolvency Act 1986, I now report on the progress of the liquidation for the year ended 4 October 2014 and attach

- Appendix A, an account of our receipts and payments for the year ended 4 October 2014 and also for the whole liquidation to date
- Appendix B, a statement of the remuneration charged by the joint liquidators in the period to 4 October 2014 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 Kevin J Hellard is authorised by the Insolvency Practitioners Association

2 Statutory information

2 1 The company's statutory details are as follows

Registered number

05727489

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.

Registered office

30 Finsbury Square, London, EC2P 2YU

3 Progress report

Asset realisations

- 3 1 No statement of affairs has been prepared for the liquidation. The only asset was the surplus balance transferred from the administration account of £2,741
- 3 2 As previously explained in my final administration report, all matters in respect of all other asset realisations have been concluded

Bond claim

- 3 3 Insolvency practitioners are obliged to obtain an insurance policy when taking out insolvency appointments up to the value of the assets within the estate, to cover any fraudulent or dishonest conduct of the officeholder
- 3 4 As previously advised a claim has been formulated and submitted against Mr Webb's surety insurance under several headings in relation to the drawing of excessive and unauthorised remuneration, and failures and/or omissions to act that may jeopardised the quantum of asset realisations available for the benefit of creditors
- 3 5 The claim also includes a request made by the bondsman to reimburse the current office holders for the duplication costs incurred in progressing the assignment and the costs of compilation and negotiation of the bond settlement itself. It is not possible at present to ascertain with any certainty what proportion, if any, of the costs will ultimately be agreed and therefore what proportion, if any, of these costs will fall to be paid through the estate
- 3 6 The loss adjusters had agreed proposals with me on this case and a number of other cases to put before the insurers and was hopeful claims would be paid in full by 31 December 2012. However those proposals were rejected by the insurers, which was disappointing. A sum of £2,035 has been received into the estate in respect of the primary loss
- 3 7 No offer has been received for duplication costs or the costs of the bond claim and the legal proceedings are continuing in respect of these costs. I am attempting to negotiate a settlement with the insurers for costs in respect of all cases within the Webb portfolio but no agreement has yet been reached

4 Creditor claims

- 4 1 There are no preferential creditors in this matter
- 4 2 The estimated statement of affairs shows non-preferential creditors of £201,096. To date, I have received claims totalling £27,341 which are yet to be agreed. It is unlikely at this stage that a dividend will be made to creditors

5 Joint liquidators' remuneration and expenses

- 5 1 Office holders are obliged to provide creditors with information pertaining to fees and expenses drawn from the estate over which they are appointed
- 5 2 I attach a summary of my outstanding time costs incurred in the administration to 5 October 2012. This shows a total time costs of £71,170 represented by 345.94 hours at an average charge out rate of £206 per hour. No remuneration nor disbursements were drawn in the administration.
- 5 3 The previous joint administrators' time costs up to 20 December 2011 total £85, representing 0.42 hours at an average of £198 per hour. No remuneration nor disbursements have been paid to the previous joint administrator.
- 5 4 At a meeting of creditors held on 8 January 2013, the following resolution was passed: "That the basis of the liquidator's remuneration be agreed by reference to the time properly given by the liquidator and his staff in attending to matters arising in the liquidation."
- 5 5 In accordance with Statement of Insolvency Practice (SIP9), I attach a summary of my time costs for the period of this report, by grade of staff and type of work, which shows time costs of £3,484 represented by 13.46 hours at £259 per hour. You will note from the SIP 9 table attached at Appendix C that our total time costs to date are £12,637 represented by 58.98 hours at an average of £214 per hour. The receipts and payments account attached at Appendix A records that remuneration of £2,000 has been drawn on account.
- 5 6 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 7 I have not drawn any disbursements on account.

6 Other expenses incurred by the joint liquidators

- 6 1 The solicitors' firm instructed to act in this matter is Gateley LLP, who have been dealing with the proceedings involving the bond claim. During the period of the report no legal fees and disbursements have been incurred. No payment has been made to Gateley LLP during the period of this report.
- 6 2 No expenses have been incurred in the period of this report. However, expenses of £717 were incurred in the last reporting period which relate to storage, bordereau and statutory advertising. These are yet to be paid and are shown in appendix B.

- 6 3 Should you have any queries regarding this report, please contact Kim Edwards on 0161 953 6490 or email kim.edwards@uk.gt.com

Yours faithfully
for and on behalf of AL Residual Realisations 2008 Limited



AP Kevin J Hellard
Liquidator

Enc

A Abstract of the joint liquidators' receipts and payments

AL Residual Realisations 2008 Limited in liquidation Liquidator's receipts and payments account From 5 October 2012 to 4 October 2014				
Receipts	Statement of affairs Estimated to Realise (£)	From 5/10/2012 to 4/10/2013 (£)	From 5/10/2013 to 4/10/2014	Total (£)
Bond settlement of primary loss		2,035	-	2,035
Receipts from administration		2,741	-	2,741
Bank interest		1	-	1
	<u>-</u>	<u>4,777</u>	<u>-</u>	<u>4,777</u>
Payments				
Liquidators remuneration		2,000	-	2,000
Legal fees		1,145	-	1,145
Legal expenses		860	-	860
Corporation tax			52	52
Statutory advertising		76	-	76
Balance		<u>4,081</u>	<u>52</u>	<u>4,133</u>
				<u>644</u>
				<u>4,777</u>

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

	Charged/incurred in period to 4 October 2014	Cumulative charged/incurred to 4 October 2014	Of which paid to 4 October 2014
	£	£	£
Liquidators' fees	3,484	12,637	2,000
Time costs			
Liquidators Expenses	NIL	717	NIL
Legal fees			
Gateley LLP fees	NIL		1,145
Gateley LLP expenses	NIL		860

C SIP 9 information

AL Residual Realisations 2008 Limited - in Li - A30200761 - SIP 9 TIME COST ANALYSIS

Job(s) CVL

Transaction period 05/10/2013 to 04/10/2014

Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hrly Rate
Administration and Planning Creditors	15	590	23	736	692	1605.6	189	2013	1226	3132.9	255.54
Hiatus period											
Investigations			7	231	1	28			8	259	323.75
Realisation of Assets Trading											
Total	115	590	3	967	742	1725.6	189	2013	1346	3483.9	258.83

AL Residual Realisations 2008 Limited - in Li - A30200761 - SIP 9 TIME COST ANALYSIS

Job(s) CVL

Transaction period 05/10/2012 to 04/10/2014

Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hrly Rate
Administration and Planning Creditors	17	883	29	4020	1378	2885.35	2285	3282.65	5123	11071	215.1
Hiatus period											
Investigations			9	293	6	143	22	330	37	766	207.03
Realisation of Assets Trading											
Total	2	1,057	138	4,313	1478	3,120.35	284	4,146.65	5898	12,637	214.26

Total fees billed to date (Time) . £ 2,000

The day to day conduct of the liquidation is under the control of partners and staff of Grant Thornton UK LLP. The routine administration of the case will be at the level of administrator, who is responsible to a manager is experienced in insolvency matters and, together with the appointed partner who is licensed to act as an insolvency practitioner will deal with technical complex matters as they arise. The extent to which time will be incurred by managers and partners will depend on issues which arise as our investigations continue. Details of the hourly rates are made available to creditors or creditor's committees at the time of fixing the basis of our fees. Personnel carrying the Treasury, secretarial and filing functions are charged separately to the professional staff on the case based on the time they work on it.

My charge out rates and those of Griffins are as follows -

Grant Thornton UK LLP	From 1/07/10	From 1/7/11	From 1/7/12	From 1/7/13	From 1/7/14
Grade	£/hour	£/hour	£/hour	£/hour	£/hour
Partners	425-535	445-560	465-580	480-600	495-615
Directors	405-440	425-460	440-480	455-500	470-515
Managers	245-405	260-425	270-440	280-455	290-470
Other Senior Professionals	200-260	210-275	220-285	230-285	240-305
Administrator	140-195	145-205	150-210	155-220	160-230
Support Staff	130-150	135-160	140-165	145-170	150-175

Griffins	
Grade	£/hour
Partners	495-545
Managers/Senior investigators	325-380
Administrators/investigators	200-300
Junior Administrator/ junior investigators	145-190
Support staff	70-180

Disbursements

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

Narrative description of work carried out

Activity	Examples of work
Administration and planning	Administrative set up, dealing with practitioners' bank account Storage, filing, bonding, tax and VAT issues. Correspondence with solicitors Dealing with company tax position. Treasury statutory work
Investigations	Reviewing bond claim position
Realisation of assets	Dealing with bank transfers, treasury duties
Creditors	Correspondence with creditors

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

A L Residual Realisations 2008 Limited - in Administration - G30206701 - SIP 9 TIME COST ANALYSIS

Job(s) ADMIN, Bond Investigation

Transaction period 16/04/2009 to 05/10/2013

Standard	Partner			Manager			Executive			Administrator			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	36 57	15,398 15	421 06	39 09	12,296 85	314 58	51 27	10,182 20	198 60	161 17	22,213 20	137 82	288 10	60,090 40	208 57
Creditors	1 10	616 00	560 00	4 00	1,167 50	291 88	2 20	423 00	192 27	9 70	1,292 25	133 22	17 00	3,498 75	205 81
Realisation of Assets															
Investigations				94	319 60	340 00	9 80	2,178 50	222 30	3 75	526 25	140 33	14 49	3,024 35	208 72
Trading				4 85	1,504 75	310 26	70	147 00	210 00	20 80	2,904 50	139 64	26 35	4,556 25	172 91
Total	37 67	16,014 15	425 12	48 88	15,288 70	312 78	63 97	12,930 70	202 14	195 42	26,936 20	137 84	345 94	71,169 75	205 73

Time Entry - SIP9 Time & Cost Summary

ALRES01 - AL Residual Realisations 2008 Limited

Project Code POST

From 16/04/2009 To 20/12/2011

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.00	0.08	0.00	0.33	0.42	82.50	198.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Legal & Litigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.00	0.08	0.00	0.33	0.42	82.50	198.00
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Liquidator's ref KJH/TPB/KZE/CES/A00761/7
Claimant's ref

AL Residual Realisations 2008 Limited - In Liquidation

Creditor's Claim Form

Name and address of creditor _____

Amount claimed in the liquidation £ _____

Particulars of any security held _____

Value of security £ _____

Signature _____

Name and position of signatory
(if not personally the creditor) _____

Telephone _____

E-mail _____

Date _____

Please provide appropriate documentation in support of your claim

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994

Please return this form when you have completed it to

Kevin J Hellard

Address Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester M3 3EB