

**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

5727489

Name of Company

AL Residual Realisations 2008 Limited

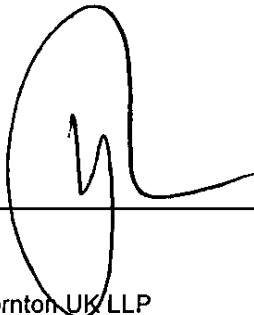
I / We

Kevin J Heilard, 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 05/10/2014 to 04/10/2015

Signed



Date

27/11/15

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB
Ref A00761/KJH/TPB/KZE/LKM

TUESDAY





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

To the creditors and members

Recovery and Reorganisation

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

T +44 (0)161 953 6900
F +44 (0)161 953 6901
www.grant-thornton.co.uk

5 November 2015

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.
- 1 2 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 2015 attach
- Appendix A, an account of our receipts and payments for the year ended 4 October 2015 and also for the whole liquidation to date
 - Appendix B, a statement of the remuneration charged by the joint liquidators in the period and a statement of expenses incurred in the period to 4 October 2015
 - 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 3 Please note that Kevin J Hellard is authorised by the Insolvency Practitioners Association

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 included a request that the bondsman reimburse the current office holders for the duplication costs incurred in progressing the case and the costs of compilation and negotiation of the bond claim. We have incurred central costs in taking over Mr Webb's portfolio of cases and the claim included a request that the bondsman reimburse a portion of these costs
- 3 6 A payment on account totalling £2,035 had previously been received in respect of the primary loss in December 2012. Unfortunately we were not able to settle the cost claims on this case and the other 29 cases in this portfolio without legal action as the Insurers variously disputed the level of cover, the proportionality of the costs incurred, whether the appropriate authority to incur the costs had been obtained and whether there was a joint and several liability across the bonds to central costs associated with taking over a portfolio. At the point where we had taken counsels advice, drafted proceedings and obtained sanction to issue, we were finally able to negotiate a settlement with the Insurers on a global basis across the portfolio. As part of the global settlement the Insurers agreed to meet the majority of the costs of the litigation that we had been forced to embark upon
- 3 7 An amount of £39,664 has been attributed to this case out of the global settlement. This has been calculated on the basis that 60% of the total costs claimed were met by the bond. This now been received
- 3 8 Litigation costs incurred in connection with the preparation for issue of legal proceedings on all of the costs claims have been paid from the estates and subsequently reimbursed by the

insurer's bond settlement. These costs have been allocated equally over the five cases with the largest primary losses, including this case.

- 3.9 Litigation costs of £5,000 have been borne by this case, which relates to legal fees.

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. Unfortunately, there are insufficient funds to allow for a distribution to be made to non-preferential 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. Administrator's remuneration of £22,030 have been drawn in the liquidation.

- 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 £4,736 represented by 18.15 hours at £261 per hour. You will note from the SIP 9 table attached at Appendix C that our total time costs to date are £17,373 represented by 77.13 hours at an average of £225 per hour. The receipts and payments account attached at Appendix A records that liquidator's remuneration of £14,398 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 plc (formerly Gateley LLP), who have been dealing with the proceedings involving the bond claim. During the period of the report litigation expenses of £5,000 were paid to Gateley plc.

6 8 I have not drawn any disbursements on account

7 Other expenses incurred by the joint liquidators

7 1 The solicitors firm instructed to act in this matter is Gateley plc (formerly Gateley LLP), who have been dealing with the proceedings involving the bond claim. During the period of the report litigation expenses of £5,000 were paid to Gateley plc

7 2 No expenses have been incurred in the period of this of this report. However, expenses of £717 were incurred in the last reporting period which relate to storage, bordereau and statutory advertising. These have been paid in the period of the report and are recorded in Appendix A and B

7 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



pp

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 2015				
Receipts	Statement of affairs Estimated to Realise	From 5/10/2012 to 4/10/2014	From 5/10/2014 to 4/10/2015	Total
	(£)	(£)		(£)
Bond settlement of primary loss		2,035		2,035
Specific bond settlement re costs			39,664	39,664
Receipts from administration		2,741		2,741
Bank interest		1		1
		4,777		44,441
Payments				
Administrators remuneration			22,029	22,029
Liquidators remuneration		2,000	12,398	14,398
Legal fees		1,145		1,145
Legal expenses		860	717	1,577
Litigation costs			5,000	5,000
Corporation tax		52		52
Statutory advertising		76		76
Balance		4,133	40,144	44,277
				164
				44,441

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

	Charged/incurred in period to 4 October 2015	Cumulative charged/incurred to 4 October 2015	Of which paid to 4 October 2015
	£	£	£
Liquidators' fees	4,736	17,373	14,398
Time costs			
Liquidators Expenses	NIL	717	717

C SIP 9 information

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

Job(s) CVL

Transaction period 05/10/2014 to 04/10/2015

Standard	Partner		Manager		Executive		Administrator		Total		Avg Hrly Rate
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	
Administration and Planning	5	80	6	324	6.5	2,169	6.85	1,596	3.7	528.5	17.95
Creditors							2	48	2	48	240
Hiatus period											
Investigations											
Realisation of Assets											
Trading											
Total	6	80	6	324	6.5	2,169	6.85	1,644	3.7	528.5	260.91

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

Job(s) CVL

Transaction period 05/10/2012 to 04/10/2015

Standard	Partner		Manager		Executive		Administrator		Total		Avg Hrly Rate
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	
Administration and Planning	5	80	23	1,207	19.4	6,179	20.43	4,481.35	28.55	3,811.65	69.8
Creditors			3	94			5	140	3.35	534	425
Hiatus period											
Investigations					9	293	5	143	2.2	330	3.7
Realisation of Assets											
Trading											
Total	6	80	26	1,381	20.3	6,472	21.63	4,764.35	32.1	4,076.15	77.13

Total fees billed to date (Time) £ 14,398

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 1/7/2014 to 1/7/2015
Grade	From 1/07/10 £/hour	From 1/7/11 £/hour	From 1/7/12 £/hour	From 1/7/13 £/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

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	0.06	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	0.06	0.00	0.33	0.42	82.50	198.00
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	