

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

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

06250814

Company name in full

Altala Group Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2

Liquidator's name

Full forename(s)

Freddy

Surname

Khalastchi

3

Liquidator's address

Building name/number

Lynton House

Street

7-12 Tavistock Square

Post town

County/Region

London

Postcode

WC1H9LT

Country

4

Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about another liquidator.

5

Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator


Use this section to tell us about another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	1	^d	3	^m	1	^m	0	^y	2	^y	0	^y	1	^y	9
To date	^d	1	^d	2	^m	1	^m	0	^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	Signature															
	<div>X</div> <div></div> <div>X</div>															
Signature date	^d	0	^d	4	^m	1	^m	2	^y	2	^y	0	^y	2	^y	0

LIQ03

Notice of progress report in voluntary winding up

**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 Rhianydd Lloyd

Company name Menzies LLP

Address Lynton House

7 - 12 Tavistock Square

Post town London

County/Region

Postcode WC1H 9LT

Country

DX

Telephone 020 7387 5868

**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

Altala Group Limited
(In Liquidation)
Joint Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 13/10/2019 To 12/10/2020 £	From 13/10/2010 To 12/10/2020 £
ASSET REALISATIONS		
	5,649.00	8,767.04
	NIL	26,441.27
79,502.00	NIL	NIL
	NIL	2,742.24
70,000.00	NIL	44,002.17
10,000.00	NIL	NIL
9,999.00	NIL	NIL
Uncertain	NIL	NIL
	1,638,837.27	1,876,837.27
1.00	NIL	NIL
155,000.00	NIL	NIL
Uncertain	NIL	NIL
	NIL	12,414.87
	NIL	2,627,500.00
111,000.00	NIL	NIL
110,213.00	NIL	6,416.27
	1,644,486.27	4,605,121.13
COST OF REALISATIONS		
	NIL	927.06
	NIL	362,020.00
	NIL	5.00
	NIL	25.00
	NIL	156,702.50
	NIL	851,335.88
	15,265.00	579,165.00
	NIL	9,141.27
	NIL	475.70
	NIL	45.00
	600.00	2,400.00
	NIL	146.89
	(15,865.00)	(1,962,389.30)
PREFERENTIAL CREDITORS		
(47,622.00)	NIL	22,270.96
(11,138.00)	NIL	NIL
	NIL	9,185.95
	NIL	(31,456.91)
UNSECURED CREDITORS		
(417,572.00)	NIL	NIL
(96,367.00)	NIL	NIL
(217,808.00)	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
(10,000.00)	NIL	NIL
	NIL	NIL
(254,792.00)	1,628,621.27	2,611,274.92
REPRESENTED BY		
Barclays Bank IB		2,610,121.92
Vat Control Account		1,153.00
		2,611,274.92

Note:

All items detailed on the receipts and payments account are shown net of VAT as the Company was VAT registered and VAT has therefore been recovered for the benefit of the liquidation estate.



Freddy Khalastchi
Joint Liquidator

ALTALA GROUP LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION

**LIQUIDATOR'S PROGRESS REPORT PURSUANT TO SECTION 104A OF THE INSOLVENCY ACT 1986
AND RULE 18.2 OF THE INSOLVENCY (ENGLAND & WALES) RULES 2016**

FOR THE PERIOD 13 OCTOBER 2019 TO 12 OCTOBER 2020

DATED 4 DECEMBER 2020

ALTALA GROUP LIMITED - IN CREDITORS' VOLUNTARY LIQUIDATION - ("THE COMPANY")

ANNUAL PROGRESS REPORT

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8. Creditors' rights to further information and to challenge liquidators' remuneration and expenses
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2. Liquidator's receipts and payments account
3. Liquidator's analysis of time costs
- 3a. Liquidator's narrative to time costs incurred
4. Menzies LLP Disbursements recovery policy

1. INTRODUCTION AND EXECUTIVE SUMMARY

- 1.1 I was appointed Joint Liquidator of the Company on 13 October 2010. I now present my progress report for the tenth year of the liquidation, pursuant to Section 104A of the Insolvency Act 1986 ("the Act") and Rule 18.2 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

Executive Summary

- 1.2 At the date of my appointment the Company had ceased trading and accordingly I took steps to realise the remaining assets with a view to distributing the funds to creditors, after costs, in the prescribed order of priority. As Liquidator, I was also obliged to investigate the Company's affairs.
- 1.3 My investigations have resulted in additional recoveries for the estate which have been received into the estate account. Advice is awaited from my legal team in relation to the division of the settlement monies between this estate and a connected company, Altala ELM Limited – In Liquidation ("AEL"). A further realisation is expected by way of dividend from AEL, of which I am also Liquidator.
- 1.4 A distribution has been paid to preferential creditors in an amount of £31,456.91 representing 100 pence in the pound. At the outset it was anticipated I would also be in a position to declare a dividend to unsecured creditors from this estate and this continues to be the case.
- 1.5 I attach at Appendix 2 a receipts and payments account for the period ended 12 October 2020. Details of progress during the period are set out in sections 2 and 3 below.

2. ASSET REALISATIONS

Legal Settlements

- 2.1 Creditors will recall that during the prior period a settlement was reached following conclusion of the main part of my investigations in an amount of £2,900,000. Pursuant to that settlement, the final funds expected were deposited to the estate account, net of costs, during the current period in an amount of £1,638,837. This is in addition to the monies received during the prior period of £238,000, which had been released in order to settle the ATE Premium, as previously reported.
- 2.2 I now require advice from my legal team in relation to the division of the settlement monies between the estate and AEL, of which I am also Liquidator. Upon receipt of that advice a payment will be made to AEL in respect of that company's interest in the funds.

Intercompany debtor

- 2.3 The Company is a creditor of AEL and I am in process of seeking advice from my legal team as to the level of the Company's claim. The division of the net settlement proceeds is the final matter to be addressed in that liquidation and therefore once legal advice has been received in that regard, and AEL's interest in the funds transferred, the process to pay a dividend from that estate will be commenced.

Bank Interest

- 2.4 The only other realisation during the period was in relation to interest accruing in the estate account in an amount of £5,649.

3. INVESTIGATIONS

- 3.1 As discussed above, my investigations in this estate continue in relation to the division of monies between this company and AEL. My work is now focussed around providing information and documentation to my legal team in order to confirm each company's share of the settlement realised.

4. PRE-APPOINTMENT FEES

- 4.1 My appointment took place immediately on conversion of the prior Administration to Liquidation. Menzies LLP has not charged any pre-appointment fees in this matter.

5. LIQUIDATOR'S REMUNERATION

- 5.1 At a meeting of creditors held on 24 May 2011, it was resolved that my remuneration be fixed by reference to time properly spent by myself and my staff in attending to matters arising in the liquidation.
- 5.2 I attach at Appendix 3 a breakdown of time costs by work category and staff grade for the period 13 October 2019 to 12 October 2020, which includes details of our charge out rates. My time costs during this reporting period are £13,746.50, which represents 57.90 hours at an average charge out rate of £237.41 per hour. My total time costs incurred for the period to 12 October 2020 amount to £580,398.16, representing 1,751.74 hours at an average rate of £331.33 per hour.
- 5.3 I have drawn remuneration of £579,165 plus VAT to 12 October 2020 of which £15,265 plus VAT was drawn during this period, as shown in the Receipts and Payment account at Appendix 2.
- 5.4 Given the size and technical nature of the liquidation, much of the work described in the sections above was undertaken by me, a director and an assistant manager. Additional assistance was provided by cashiers dealing with banking and statutory duties, and administrators offering various support services. All time spent on administering various duties was charged directly to the case in 6 minute units.
- 5.5 A narrative explanation of work done during the period since my last progress report is set out at Appendix 3a.
- 5.6 An explanatory note "A Creditors' Guide to Liquidators' Fees" can be found on the following link - <https://www.menzies.co.uk/helping-you/business-recovery/fees-guide/>. Alternatively, it is available free of charge by contacting Menzies LLP. Please note that there are different versions and you should refer to the version for appointments from April 2010 to October 2011.

6. LIQUIDATOR'S EXPENSES

- 6.1 Expenses are amounts payable by the officeholder from the Estate, which are not the officeholder's remuneration or a distribution to creditors. These include disbursements, which are met by and recharged to an officeholder in connection with an appointment.
- 6.2 Please see the receipts and payments account detailed at Appendix 2, which shows the payments made from the estate during the liquidation and for the period since the last progress report.
- 6.3 I have incurred total expenses of £600 plus VAT during this period, as detailed in the table below.

- 6.4 I have paid £600 plus VAT during this period, as detailed below and outlined in the attached receipts and payments account.

Type of expense	Incurred in the period (£)	Paid in period (£)	Remains outstanding (£)
Joint Liquidators' disbursements			
Specific penalty bond renewal	600.00	600.00	0.00
Total	600.00	600.00	0.00

Professional advisors

- 6.6 I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of work	Basis of fees
Marsh Limited	Specific penalty bonding	Fixed fee

- 6.7 The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

Corporation tax

- 6.8 No Corporation Tax liability has arisen during the period of this report.

Joint Liquidators' disbursements

- 6.9 In relation to disbursements, where my firm has incurred a cost that is directly referable to this matter and the payment was made to a third party, these costs have been or will be reimbursed, subject to sufficient funds being available in the estate. I have incurred disbursements of £600 plus VAT during this period and which have been recharged to the estate as reflected on the enclosed receipts and payments account.
- 6.10 No disbursements have or will be claimed which, while directly referable to this matter, did not involve a payment to a third party. Neither will any cost be reimbursed which included an element of shared or allocated cost (e.g. photocopying). A statement with regard to my disbursements recovery policy is attached at Appendix 4.

7. CREDITORS' CLAIMS AND OUTCOME FOR CREDITORS

Secured creditor

- 7.1 There are no charges registered against the Company. Accordingly, there are no known secured creditors.
- 7.2 The legislation requires that if the Company has created a floating charge on or after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential creditors

- 7.3 As reported previously, on 14 February 2017 a distribution was paid to the preferential creditors in an amount of £31,456.91 representing 100 pence in the pound.
Unsecured (ie non-preferential) creditors
- 7.4 The statement of affairs included 44 unsecured creditors with an estimated total liability of £804,301.80. I have received claims from 15 creditors at a total of £74,417.97. Other claims received in the administration totalled £694,140.80.
- 7.5 As previously advised there is an additional claim of £17,602,601.03 for ABC Corporation, such claim ranking behind unsecured creditors for dividend purposes, pursuant to a settlement deed which was entered into by the Joint Administrators, the Company and ABC Corporation.
- 7.6 As my main avenue of investigation has now reached a conclusion, I would ask that any creditors who have not submitted their claim in the liquidation do so at their earliest convenience as commence the distribution process once the settlement monies have been appropriately divided between the Company and AEL.

8. CREDITORS' RIGHTS TO FURTHER INFORMATION AND TO CHALLENGE LIQUIDATORS' REMUNERATION AND EXPENSES

- 8.1 Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, is available at the link <http://www.menzies.co.uk/helping-you/business-recovery/fees-guide/>. Please refer to the version for appointments from April 2010 to October 2011.

Creditors' right to request information

- 8.2 Any secured creditor, or an unsecured creditor with the support of at least 5% in value of unsecured creditors or with the leave of court, may (in writing) request me to provide additional information regarding remuneration or expenses already supplied within this report. In accordance with rule 18.9(2) of the Rules, such a request or application for leave must be made within 21 days of receipt of this report.

Creditors' right to challenge remuneration and/or expenses

- 8.3 Any secured creditor, or an unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the court, may apply to court for one or more orders under Rule 18.36(4) or 18.37(4) of the Rules. In accordance with rule 18.34(3) of the Rules such applications must be made within eight weeks of receipt of this report.

9. DATA PROTECTION NOTICE

- 9.1 The Joint Liquidators are data controllers of personal data as defined by the relevant provisions of the applicable data protection legislation. Menzies LLP will act as a data processor on their instructions. Personal data will be kept secure and processed only for matters relating to the insolvency appointment. Full details of our privacy notice is at the following link: <https://www.menzies.co.uk/legal/>.

10. CONCLUDING REMARKS

- 10.1 The liquidation will remain open until the matter of the division of settlement funds between the connected liquidation estates. I estimate that this will take approximately 6 months and once

resolved, I will be in a position to undertake the process of adjudicating claims in order to pay a first and final dividend to the unsecured creditors.

- 10.2 I will report again on the progress of the liquidation after the next anniversary of the Liquidation or in the draft final account, whichever is earlier.
- 10.3 Should you require further information, or if you want hard copies of any of the documents made available on-line, please contact my colleague Rhianydd Lloyd by email at rlloyd@menzies.co.uk, or by phone on +44 (0) 29 2044 7518.



Freddy Khalastchi
Joint Liquidator

Appendix 1
Statutory information

Company name:	Altala Group Limited
Company number:	06250814
Registered office:	Lynton House, 7-12 Tavistock Square, London, WC1H 9LT
Former registered office:	3rd Floor, 39-45 Shaftesbury Avenue, London, W1D 6LA
Former trading address:	1st Floor, 146 Buckingham Palace Road, London, SW1W 9TR
Principal trading activity:	Gambling and betting activities
Liquidator's names:	Freddy Khalastchi
Liquidator's address:	2 Sovereign Quay, Havannah Street, Cardiff, CF10 5SF
Date of appointment:	13 October 2010
Contact details of Liquidator:	Rhianydd Lloyd on +44 (0) 29 2044 7518 or at rlloyd@menzies.co.uk
Details of any changes of Liquidator:	Following a Court Order dated 13 December 2018, Martin John Atkins was removed as Joint Liquidator. Please note that on 1 July 2015, Harris Lipman LLP merged with Menzies LLP to create a practice operating under the Menzies LLP name.

Appendix 2
Receipts and payments account

Appendix 2
Altala Group Limited
(In Liquidation)
Joint Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 13/10/2019 To 12/10/2020	From 13/10/2010 To 12/10/2020
	ASSET REALISATIONS		
	Net Settlement Proceeds	1,638,837.27	1,876,837.27
10,000.00	Goodwill	NIL	NIL
155,000.00	Plant & Machinery	NIL	NIL
111,000.00	Stock/Inventory on hand	NIL	NIL
9,999.00	Intellectual property	NIL	NIL
Uncertain	Intercompany debts	NIL	NIL
Uncertain	Prepayments	NIL	NIL
110,213.00	VAT Refund (Administration)	NIL	6,416.27
79,502.00	Cash at Bank	NIL	NIL
	Business Rates Refund	NIL	26,441.27
70,000.00	CIC Loan	NIL	44,002.17
1.00	PHT Loan	NIL	NIL
	Bank Interest Gross	5,649.00	8,767.04
	Cash Held by Accountant	NIL	2,742.24
	Settlement Monies	NIL	2,627,500.00
	Repayment of Legal Fees	NIL	12,414.87
		<u>1,644,486.27</u>	<u>4,605,121.13</u>
	COST OF REALISATIONS		
	DTI Cheque/BACS Fees	NIL	25.00
	Specific Bond	600.00	2,400.00
	Liquidator's Fees	15,265.00	579,165.00
	Agents Fees	NIL	927.06
	Legal Fees	NIL	851,335.88
	Photocopying	NIL	475.70
	Mediation Costs	NIL	9,141.27
	Statutory Advertising	NIL	146.89
	Search Fees	NIL	45.00
	Experts' Fees	NIL	156,702.50
	ATE Insurance Premium	NIL	362,020.00
	Bank Charges	NIL	5.00
		<u>(15,865.00)</u>	<u>(1,962,389.30)</u>
	PREFERENTIAL CREDITORS		
	HM Revenue and Customs - PAYE &	NIL	9,185.95
(11,138.00)	Employees Wage Arrears	NIL	NIL
(47,622.00)	Employees Holiday Pay	NIL	22,270.96
		<u>NIL</u>	<u>(31,456.91)</u>
	UNSECURED CREDITORS		
(217,808.00)	Trade & Expense Creditors	NIL	NIL
(417,572.00)	Employees	NIL	NIL
(96,367.00)	HM Revenue and Customs - PAYE &	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(10,000.00)	£1 Ordinary shares	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(254,792.00)</u>		<u>1,628,621.27</u>	<u>2,611,274.92</u>

REPRESENTED BY

Barclays Bank IB	2,610,121.92
Vat Control Account	1,153.00
	<hr/>
	2,611,274.92
	<hr/>

Note:

All items detailed on the receipts and payments account are shown net of VAT as the Company was VAT registered and VAT has therefore been recovered for the benefit of the liquidation estate.

Appendix 3
Analysis of Time costs

ALTALA GROUP LIMITED - IN LIQUIDATION**APPENDIX 3****TIME CHARGE OUT SUMMARY FOR THE PERIOD FROM 13/10/2019 to 12/10/2020****HOURS**Classification of
work function

	Partner/ Director	Manager	Senior	Administrator	Support	Total Hours	Time Costs	Average Hourly Rate
							£	£
Admin and Planning	5.40	17.90	0.10	24.70	3.50	51.60	11,101.50	215.15
Investigations: Other	6.20	0.10	0.00	0.00	0.00	6.30	2,645.00	419.84
Investigations: Directors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations: Legal Advisors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Support	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	11.60	18.00	0.10	24.70	3.50	57.90		
Total Costs	5,065.00	4,717.50	23.00	3,591.00	350.00		13,746.50	

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS

	<u>From 1 October 2020</u>	<u>1 Oct 2019 to 30 Sept 2020</u>
	£ per hour	£ per hour
Partner/Director	425-525	400-525
Manager	260-360	260-350
Senior	230-250	230-250
Administrator	100-200	100-205
Support Staff	100	100-135

Note 1 There may have been a number of promotions through the various grades during the period of the administration.

Note 2 Overhead costs are reflected in the charge out rates detailed.

Note 3 The charge-out rate of the Insolvency Practitioner for this assignment is currently £525 per hour, and the administrator is £260 per hour.

Note 4 Time is recorded in minimum units of 6 minutes.

Appendix 3a

Narrative of work undertaken in the period from 13 October 2019 to 12 October 2020

A description of the work undertaken since my last progress report is as follows:

1 Administration and planning

There are certain aspects of the case that are required by statute and for the efficient running of the case. They are not expected to provide a direct quantifiable benefit to creditors; however, without them, other aspects of the case which do provide a quantifiable benefit to creditors would be less efficient. They include the maintenance of physical case files and electronic case management information, periodic review of files, strategic case planning and the routine administration of the case, preparation of documentation and reports, dealing with correspondence, and statutory advertising.

Specifically:

Reporting

Time has been spent in the preparation of a progress report to members and creditors for circulation following anniversary to advise upon the progress made over the year.

Cashiering

Time has been spent in lodging receipts, preparing and processing invoices for payments, reconciling the bank accounts, and producing the receipts and payments accounts, renewing and monitoring the level of the specific penalty bonding, preparation and submission of VAT and corporation tax returns. Tim has also been spent in reviewing the investment of funds held on money market account in order to maximising interest realisations for creditors.

2 Asset realisations

Net asset realisations provide the financial benefit to creditors and their quantum directly contributes to any dividend ultimately available to creditors.

No time has been allocated to this category during the period.

3 Investigations

Complying with statutory requirements will not necessarily produce a financial benefit to creditors but may identify potential avenues which could lead to a recovery for the benefit of creditors.

Time has been spent during the period in reviewing the costs of the investigations, which were incurred during the period, and in drafting instructions to counsel in relation to the division of monies received as a result of the litigation undertaken.

4 Creditors (claims and distribution)

No time has been allocated to this category during the period.

Appendix 4
MENZIES LLP DISBURSEMENTS RECOVERY POLICY

Category 1 Disbursements

Specific expenditure relating to the administration of the insolvent estate and payable to an independent third party is recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Typical items include legal fees, agents' fees, statutory advertising, insurance of assets, search fees, specific penalty bonding, telephone calls, postage, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case.

All such disbursements that have been paid from the estate are shown on the enclosed summary of our receipts and payments account.