

AM10

Notice of administrator's progress report



Companies House

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21/04/2018

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COMPANIES HOUSE

1 Company details

Company number 0 1 1 7 3 0 1 4

Company name in full Alno (United Kingdom) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Gareth

Surname Harris

3 Administrator's address

Building name/number Central Square
Street 5th Floor
29 Wellington Street

Post town Leeds

County/Region

Postcode L S 1 4 D L

Country

4 Administrator's name ①

Full forename(s) Keith

Surname Marshall

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Central Square
Street 5th Floor
29 Wellington Street

Post town Leeds

County/Region

Postcode L S 1 4 D L

Country

② Other administrator

Use this section to tell us about
another administrator.

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6

Period of progress report

From date	d 2	d 1	m 0	m 9	y 2	y 0	y 1	y 7
To date	d 2	d 0	m 0	m 3	y 2	y 0	y 1	y 8

7

Progress report

☒ I attach a copy of the progress report

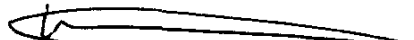
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Sign and date

Administrator's
signature

Signature

X



X

Signature date

d 1	d 8	m 0	m 4	y 2	y 0	y 1	y 8
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AM10

Notice of administrator's progress report



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	Gareth Harris
Company name	RSM Restructuring Advisory LLP
Address	Central Square 5th Floor 29 Wellington Street
Post town	Leeds
County/Region	
Postcode	L S 1 4 D L
Country	
DX	
Telephone	0113 285 5000



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.



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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

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In the matter of

Alno (United Kingdom) Limited In Administration

(‘the Company’)

in the High Court of Justice, Chancery Division Companies Court no 6652 of 2017

Joint Administrators’ progress report

18 April 2018

Gareth Harris and Keith Marshall

Joint Administrators

**RSM Restructuring Advisory LLP
Central Square
5th Floor
29 Wellington Street
Leeds LS1 4DL
Tel: 0113 285 5000
Email: restructuring.leeds@rsmuk.com**

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1 Purpose of report

This report has been prepared in accordance with insolvency legislation to provide creditors with information relating to the progress of the administration in the period from 21 September 2017 to 20 March 2018. This report covers the whole period since our appointment and therefore duplicates in part matters previously set out in our proposals to creditors, dated 25 October 2017.

This report has been prepared solely to comply with the statutory requirements of the relevant legislation. It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

Neither the Administrators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

2 Progress of the administration in the previous six months

The Joint Administrators are obliged to recover and realise the Company's property and maximise realisations. Details of the realisations made are set out below, with information relating to dividends, if any, contained within Appendix A.

The costs incurred to date and those expected to be incurred in dealing with the matters below are set out in detail at Section 7.

2.1 Realisation of assets

2.1.1 Sale of business and assets

The business and assets of the Company had been marketed for sale prior to the Administrators' appointment and various offers had been received; the most attractive and deliverable of which was from an unconnected party, Robus Capital Management Limited. Following their appointment, the Administrators concluded these negotiations and a sale of various parts of the Company's business and assets to three operating companies controlled by Robus was completed on 4 October 2017.

The sale price agreed was £1m in total, including £100,000 to be held in escrow on account of Intellectual Property Rights (three trademarks) pending their registration. It subsequently became apparent that the trademarks could not be transferred without co-operation from the Joint Administrator of Wellmann GmbH & Co. We have agreed a commercial settlement to share the balance of monies held in escrow to ensure release of the majority of the monies. Total proceeds from the sales therefore total £966,667 as set out below, of which £33,333 from one of the trademarks was received subsequent to the period end.

The position regarding the sale is summarised below:

	Total	Willoughby 622 Limited	Willoughby 621 Limited	Willoughby 623 Limited
	£	Retail £	UKSS £	Sevenoaks £
Commercial Contracts	1.00	1.00		
Office furniture and Equipment	107,153.00	11,151.00	62,002.00	34,000.00
Franchise Agreements	120,000.00	120,000.00		
Goodwill and brand	41,468.83	41,467.83	1.00	
Intellectual Property	66,667.67	66,666.67	1.00	
Investments in Subsidiaries	90,000.00	90,000.00		
Prepayments	2.00	1.00	1.00	
Debtors (Retail and UKSS)	197,874.17	94,538.70	103,335.47	
Stock/Inventory	343,500.00	170,500.00	173,000.00	
	966,666.67	594,326.20	338,340.47	34,000.00

A significant amount of time was incurred by the Administrators and their professional advisors in marketing the business, negotiating offers and agreeing the final terms and consideration payable. This work has enhanced the value of the Company's assets as is evidenced below which will provide a greater return to creditors than if the assets were sold on a piecemeal basis. The estimated uplift in value is in excess of £400,000. Additionally, this sale has greatly reduced the anticipated claims of creditors including at least £200,000 from deposit customers in subsidiaries and several hundred thousand pounds from landlords and franchisees.

2.1.2 Deferred consideration relating to Retail and UKSS book debts

A final settlement of £34,199 has been received subsequent to the period end in respect of the UKSS book debts deferred consideration. Additional consideration from the sale of the Retail ledger is uncertain.

2.1.3 Commercial contracts ledger – South

The Company's commercial contracts ledger totals approximately £6.5m which includes retentions and other aged debts. Due to the financial and supply issues faced by the Company prior to the Administration some of their commercial customers had already cancelled ongoing contracts and notified the Company of potential counter claims. Even where contracts were not cancelled, on-site supply issues have impaired the collectability of the ledger.

To date we have collected a total of £935,377, of which £823,935 was collected in the period. Future recoveries remain uncertain but, based on the good progress made to date, we have increased our estimate of collections by £300,000 to £1.8m. Hopefully this revised estimate will itself be exceeded.

The Joint Administrators have engaged Baker Tilly Creditor Services Limited ("BTCS") to assist in the collection of debts. BTCS is a connected party by virtue of the fact it is a member of the RSM Group of companies. To further maximise realisations two of the Company's former employees, the credit control manager and credit control assistant, have also been retained on a consultancy basis due to their knowledge of the ledger and their relationships with the customers.

BTCS have been engaged on commercial terms comparable with other debt collection firms who provide a similar service. Their remuneration is to be based as a percentage of realisations of 10% up to £1,000,000 and 20% on recoveries above that amount. Additionally, they will be reimbursed for direct costs and disbursements relating to IT, office costs and consultancy costs.

2.1.4 Commercial contracts ledger – Scotland

At the date of our appointment the Company's commercial contracts ledger and related work in progress had a book value of c£767,000 which includes retentions and other aged debts. The Company operated an informal joint venture with Creative Designs (Ayr) Limited ("Creative") to service the Scottish commercial market. Due to the Company's cashflow problems prior to Administration, Creative paid suppliers and other costs on the Company's behalf of £209,148 to service work in progress and generate sales. In view of Creative's knowledge of the contracts ledger and their ability to service existing work in progress to minimise counter claims the Joint Administrators agreed to assign the ledger to Creative in return for a percentage of recoveries.

On 16 October 2017, an asset purchase agreement and debt assignment were agreed whereby Creative paid £1 for the benefit of any commercial contracts and agreed to pay to the Administration 36p in every £1 realised from the debtor ledger after the initial sum of £209,148 was repaid for their costs in preserving the ledger. This agreement provides the best chance of recoveries from the Scottish projects ledger and reduces the overall quantum of unsecured creditors' claims by reducing the claim of Creative and avoiding counter claims from customers for incomplete work and other contractual deductions.

To date we have collected a total of £131,162 all of which was collected subsequent to the period end. Future recoveries remain uncertain and, for the purpose of the estimating the outcome for creditors, we have assumed these to be nil.

2.1.5 Stock

In addition to the display and stone stock that was purchased in the sales detailed above; there was stock at Unit 6 North Downs Business Park Sevenoaks, Westcott Venture Park and the Northwood Hills store. Sanderson Weatherall were engaged by the Joint Administrators to value the Company's stock and determine the most appropriate realisation strategy to maximise realisations for creditors.

Much of the stock in hand was subject to claims from creditors for retention of title. We have reviewed these claims and authorised the release of stock with a cost price of c£296,900 to 6 creditors, whose unsecured claims against the Company will be reduced.

The balance of stock was sold at auction by our agents on 5 December 2017, the gross proceeds of sale amounted to £103,995. In addition to the above our agents identified stock held in storage by a third party. To avoid the costs which would otherwise be associated recovering these assets a settlement was agreed and the goods were sold in situ, and as a result £1,200 plus VAT was realised from this source.

2.1.6 Leasehold properties

At the date of our appointment the Company held leasehold interests in 20 properties and we therefore engaged Sanderson Weatherall to provide valuations of the Company's various leasehold interests. They concluded there was no value in any of them.

To facilitate the sales detailed above the Joint Administrators granted a licence to occupy 15 retail stores to Willoughby 622 Limited and a licence to occupy the Wolverhampton property used by the UKSS division as its headquarters to Willoughby 621 Limited. Additionally, a licence to occupy was granted to Willoughby 623 Limited in respect of Units 1 and 2 and an adjacent car park at North Downs Business Park in Sevenoaks. As our agents confirmed that there was no value in the Company's leasehold interests, the licences to occupy were granted for no consideration.

The licences were for a fixed period of 6 months from 4 October 2017 to 3 April 2018 in order to provide ample time to the purchaser to regularise with landlords the terms of their on-going occupation of the properties, either through the assignment of existing leases or the grant of new leases. The Company has therefore remained responsible for payment of outstanding rents for the period of occupation following the Joint Administrators' appointment, but the costs involved have been off-set by the licence fees received. Rents have been paid by the Administrators on a monthly basis and amount to £340,000 in the period in comparison to licence fees received of £318,000 and rents received directly from sub-tenants of £12,500.

The final rent and licence position is still currently being concluded. The purchaser has taken assignments of the leases of eight of these properties and has surrendered seven, most of which have only recently been completed. Two leases currently remain in process of being assigned following which we need to agree a final account with the purchaser to ensure that they have paid the correct amount of licence fee up to the date of assignment/vacation.

In addition, the Administrators have incurred and paid rent of c£19,000 on the warehouse at Unit 6, North Downs Business Park in Sevenoaks, which was not required by the purchaser of the business and this property has been subsequently surrendered to the landlord following the auction of stock on site.

We have reviewed the rating position at each property and established that no claims can be made for any overpayments of rates in prior years arising from any mistakes in rating assessments. We have however received to date rates refunds totalling £20,094 on account of overpayments made for the Company's period of occupation prior to our appointment.

2.1.7 Cash at bank

Barclays Bank PLC has remitted to us credit balances of £247,862, of which £234,983 was held in trust on account of customers who had paid deposits and £12,879 was a Company asset. Further details of payments out of trust monies received are set out in section 2.3.1 below.

The Company also held bank accounts with Commerzbank and Lloyds bank which held credit balances relating to debt collections. These funds were paid to the Company's charge holder under instructions given by the company prior to our appointment.

2.2 Investigations

In accordance with our statutory obligations, we have filed the appropriate documentation with the Department for Business, Energy and Industrial Strategy in relation to the conduct of the directors.

I can advise you that, following my initial assessment no further investigations were deemed necessary.

2.3 Case specific matters

2.3.1 Customer deposits

In view of ongoing supply issues and cashflow difficulties management took the decision to ringfence monies for the benefit of the customers who paid their deposit to the Company by bank transfer or cheque as such customers would not have any protection from their card provider in the event orders couldn't be fulfilled. These monies were held in an account with Barclays Bank and totalled c£235,000 at the date of the Joint Administrators' appointment.

The Joint Administrators in conjunction with their solicitors Squires Patton Boggs have reviewed the decision of the directors and concluded that those funds have been held on trust for those customers who paid by bank transfer or cheque only.

Accordingly, customers who paid by credit or debit card have been advised by the Joint Administrators to contact their card issuer and seek a refund from them and wording has been provided to assist in such claims. Any customers who paid by this method and have not yet provided their information and proof of payment to the Joint Administrators are invited to do so at the earliest opportunity.

If payment was made to one of the Company's former subsidiaries, then that subsidiary will remain responsible to the customer and accordingly customers should contact the relevant store direct. The subsidiary companies are: Bradbury's (Holdings) Limited, which owns two operating companies, Bradbury's of Bristol Limited and Bradbury's of Exeter Limited; Birmingham Kitchens Limited; and Stourbridge Kitchens Limited.

To date we have refunded £147,605 to customers who have paid deposits by bank transfer or cheque and we are still holding £87,391 in a trust account in respect of potentially refundable deposits where a claim has yet to be made. It may subsequently transpire that customers who have not yet made a claim have in fact received the goods to which their deposit relates and accordingly a refund will not be necessary. Once this matter has been finalised any surplus in the trust account will, in accordance with legal advice, be paid into the administration estate and be available for the general body of creditors.

We have spent c190 hrs and time costs of £31,864 have been incurred to date in identifying deposit customers, liaising with depositors, verifying payment information and determining, in conjunction with lawyers, the appropriate treatment of customer deposits and the ringfenced monies

2.3.2 Retention of title claims

At the date of our appointment the Company was holding stocks of kitchen equipment and appliances, some of which was subject to ROT claims from the suppliers. Six claims were received and dealt with, such that stock has been appropriately identified and uplifted by the relevant suppliers and credit received accordingly, which has resulted in reductions in the unsecured claims of these creditors.

In accordance with the provisions of the sale of the business and assets of UKSS and the retail division of the Company, only stock to which the Company held right and title to was sold to the purchaser.

Accordingly, any ROT claims for stock included in that sale have been passed to the purchaser to deal with.

2.3.3 Leasing Companies and third-party assets

The Company had forty-nine leased vehicles which were subject to finance agreements with twelve different finance companies. In addition, we were also contacted by four other lease providers with regards to agreements for office equipment and vehicle tracking units. We have assisted these suppliers to identify and collect their assets which has mitigated their unsecured claims against the Company.

2.3.4 Defined Benefit Pension scheme

At the date of our appointment the Company was the Trustee of a defined benefit pension scheme and we have liaised with the Pension Protection Fund ('PPF') to ensure that this scheme is properly dealt with. The PPF has made arrangements for the appointment of an independent trustee and has submitted an unsecured claim in respect of their assessment of the deficiency in this scheme.

2.3.5 Other Pension Schemes

We understand that the Company also provided two further pension schemes for the benefit of employees. In order to ensure we comply with statutory obligations we have instructed Clumber Consultancy Ltd, an independent specialist pension advisor, to investigate these schemes and provide the Joint Administrators with advice in respect of their obligations. Further actions will be required once we have received further information.

2.3.6 Terminal loss relief claim

We have investigated the Company's corporation tax position and identified that the Company has paid significant levels of corporation tax in recent years which may be recoverable under statutory terminal loss relief provisions. We have instructed Sagars accountants to progress the submission of an appropriate claim and this is in progress. The claim to be made is estimated at c£500,000 and the costs of Sagars at £11,500.

2.4 Administration and planning

In the period since appointment, the Joint Administrators and their staff have undertaken the following matters. Certain aspects of the work undertaken is derived from the underlying legal and regulatory framework for cases of this nature. This work, which does not usually result in any direct financial benefit to creditors, is a necessary aspect of ensuring that the Joint Administrators are complying with both their legislative and best practice responsibilities, and ensuring that the case is managed efficiently and effectively. It includes matters such as:

- Statutory filing of appointment documents at Companies House;
- Dealing with appointment notifications;
- Periodic case reviews, case planning and strategy;
- Maintaining and updating computerised case management records;
- General post appointment administration including statutory advertisements;
- Corresponding with the directors with regard to collating and securing the Company's books and records;
- Dealing with routine correspondence not attributable to other categories of work;
- Requesting submission of Statement of Affairs and collating information relating thereto;
- Handling of receipts and payments and maintenance of cashing records;
- Ongoing consideration of ethical and anti-money laundering regulations
- Undertaking file reviews and compliance related tasks;
- Liaising with the directors, shareholders, solicitors and insurers;
- Investigating the Company's pension scheme and dealing with pension agents, The Pensions Regulator and Pension Protection fund;
- Liaising with HM Revenue and Customs; and
- Correspondence and reporting to creditors.

3 Matters preventing closure

3.1 Assets remaining to be realised

As noted above, the debt collection exercise is in progress and this will continue for the next six to 12 months. Estimated future realisations during this period of c£800,000 will be of a major financial benefit to unsecured creditors.

Resolution of any outstanding entitlements to the residual ring-fenced cash balances is estimated to result in additional recoveries for creditors generally of between £50,000 and £100,000

The terminal loss claim could benefit creditors by up to £500,000 depending upon HMRC's response once it has been submitted.

3.2 Other outstanding matters

The assignment and or surrender of three leases in accordance with the Administrators obligations under the sale agreement.

The adjudication of preferential and unsecured creditor claims generally and the payment of dividends, including the related court application required by legislation.

General tasks in order to comply with relevant legislative requirements, including reporting to creditors and an application for an extension of the administration beyond 21 September 2018 in order to provide time for completion of the debt collection exercise.

The estimated costs of dealing with these matters are set out in Section 7.2.3 and the fee estimate set out in Appendix H.

4 Creditors' claims and dividend prospects

4.1 Preferential Creditors

We have received from the Redundancy Payments Service a preferential claim of £84,611 in respect of arrears of wages and holiday pay which they have paid to employees under the provisions of the Employment Rights Act. In addition to this we are aware of additional residual claims for sums due to employees over and above the statutory limits set by the RPS. These claims will be reviewed in due course and in estimating the outcome for creditors we have assumed total preferential claims of £100,000 in comparison to the estimate of £154,000 included in our report dated 25 October 2017. We anticipate that the Preferential creditors can be paid in full once the above claims have been verified.

4.2 Unsecured Creditors

Surplus funds are currently available to unsecured creditors and we expect these funds to be augmented by future asset realisations as noted in Section 2.1 above. The timing and quantum of future realisations from book debts remains uncertain but given that funds are currently available it is our intention to seek court approval to making an interim distribution to unsecured creditors as soon as practically possible.

To date we have received unsecured claims totalling £8.13m and have made general provisions for additional claims of £748,000, as follows:

	Received	Awaited	Total
	£000	£000	£000
Trade and expense	5.415	500	5.915
Pension Protection Fund	606	0	606
HMRC	640	0	640
RPS and employee claims	321	248	569
Potential protective award claims	0	uncertain	0
Landlords	1.148	uncertain	1.148
	8.130	748	8.878

The process of agreeing creditor claims could take in the region of 3 months, subject to any complications arising from the need for landlords and others to mitigate any claims they have for breach of contract. If appropriate, we would intend to make a provision for potential claims not yet received or agreed so that an interim distribution could be made promptly.

We have received claims totalling £5.415m from 255 trade and expense creditors. We are aware of a further 50 potential creditors who have not yet submitted claims and have made a general provision of £500,000 in respect of these pending clarification of their claims.

We have received from the Redundancy Payments Service an unsecured claim of £320,925 in respect of redundancy pay and pay in lieu of notice which they have paid to employees under the provisions of the Employment Rights Act. In addition to this we are aware of additional residual claims for sums due to employees over and above the statutory limits set by the RPS. These claims will be reviewed in due course and in estimating the outcome for creditors we have assumed total unsecured employee claims of £569,000.

We have also been advised by the Employment Tribunal Service that several employees are pursuing Protective Awards on account of the Company's failure to consult on redundancies as a consequence of its insolvency. The extent of these claims is currently uncertain.

Because of the uncertainty as to final levels of creditor claims we are not currently able to estimate with any certainty the potential dividend payable to creditors. It seems likely though that a dividend in the range of 10 pence to 25 pence in the £ could be payable.

An application to Court for approval to pay a distribution to unsecured creditors is to be made shortly.

Further details of dividend prospects and projected returns to creditors are set out in Appendix A. Please note that these are indicative only and should not be used as the sole or principal basis for any bad debt provision or other purposes. They may be subject to revision and additional costs

The Joint Administrators are obliged to deal with a number of matters in relation to creditors to comply with both the legislative and best practice requirements and to ensure creditors are kept informed. Creditors will only derive an indirect financial benefit from this work on cases where a dividend has been paid or is due to be paid. These matters include:

- Preparation and issue of progress reports and associated documentation;
- Maintenance of schedules of preferential and unsecured creditors' claims;
- Dealing with correspondence and telephone calls;
- Where necessary, consideration of creditors' claims; acceptance or rejection of claims and complying with legislative obligations in relation to adjudication of creditors' claims generally for voting and, if applicable, dividend purposes;
- Review of creditor claim supporting documentation, and
- Calculation and payment of dividend(s) to one or more classes of creditors.

5 Prescribed Part

The Prescribed Part' is a statutory amount, calculated as a percentage of net floating charge realisations, the "Net Property" which entitles unsecured creditors to a share of realisations. This is calculated on a sliding scale up to maximum of £600,000 before costs.

There is therefore no requirement to estimate the amount of the Prescribed Part of the assets under Section 176A of the Insolvency Act 1986 in this case as the Company's charge holder has been repaid from fixed charge realisations.

6 Receipts and payments summary

We attach as Appendix B a summary of our receipts and payments for the period from 21 September 2017 to 20 March 2018.

6.1 VAT basis

Receipts and payments are shown net of VAT with any amount due to or from HM Revenue and Customs shown separately.

7 Costs and Joint Administrators' remuneration

The firm's charging, expenses and disbursements policy was provided with the Joint Administrators' proposals. A further copy is attached.

7.1 Pre-administration costs

The Joint Administrators' proposals dated 25 October 2017 detailed un-paid pre-administration costs totalling £86,075 (plus VAT). The sums below have been approved and paid as follows:

Pre - administration costs charged / incurred			
To whom paid	Amount approved £	Date approved	Date paid
RSM Restructuring Advisory LLP	71,812	28.11.17	14.12.17
Norton Rose Fulbright LLP	14,263	28.11.17	19.1.18

7.2 Joint Administrators' post-appointment remuneration

7.2.1 Approval received and remuneration paid to date

The basis of the Joint Administrators' remuneration was approved by the general body of creditors on 28 November 2017, when the following resolution was passed:

'As a Creditors' Committee was not established, then in accordance with the fee estimate provided to creditors with the Joint Administrators' proposals, the Administrators shall be authorised to draw their remuneration for the first 6 months of the administration ("the next milestone") limited to the sum of £289,440 plus VAT'.

The Administrators' actual time costs up to 20 March 2018 have exceeded the fee estimate for this period and the Administrators have therefore limited the fees they have drawn for this period to £289,440 plus VAT in accordance with this resolution, as shown in the receipts and payments account at Appendix B.

Further details of time costs incurred up to the first milestone on 20 March 2018 and an estimate of future time costs for the period thereafter up to and including closure are set out below in sections 7.2.2 and 7.2.3 respectively. Further details of a request for approval of additional remuneration in respect of these costs are set out in section 7.2.4.

7.2.2 Time costs incurred in the period from 21 September 2017 to 20 March 2018

Time costs of £373,870 have been incurred in the period to the first milestone, a summary of which is attached at Appendix G. The costs incurred exceed our initial fee estimate by £84,430, which includes c£50,066 of time costs in areas where, at the time of setting the budget, there was significant uncertainty as to the time commitments that would be placed on the Administrators.

We therefore intend to seek approval for an additional fee of £50,000 on account of these costs as set out in Section 7.2.4. The Administrators do not propose to seek approval for the remaining balance of time costs incurred in the period of £39,430, which will be written off. Further details of the principal matters involving us in additional work are set out below:

Property related matters

These have proved to be significantly more time-consuming than originally assumed for several reasons, including:

- We had initially assumed that the purchaser would be in a position to take assignments of the leases by the end of December 2017 but completion of most of these has only recently been achieved and some are still on-going. This has involved us in chasing the purchaser with regard to their intentions and in collecting the licence fees and paying over rents for an additional three months.

- Rent values provided to us by the Company's directors for several of the properties were incorrect but this did not become apparent until after the date of our fee estimate. This resulted in our having to re-review all leases and subsequent rent reviews and the VAT status of properties and correspond with landlords accordingly. This also had a knock-on effect in that the licence fees due from the purchaser under the sale agreement were also incorrect and a significant amount of time was spent liaising with the purchaser with respect to licence fee payments that were due and establishing the correct position regarding under/overpayments.
- Issues arising from the vacation by the purchaser of seven properties including liaison with landlords and solicitors to explain and agree upon the terms of surrender, which were not in some instances immediately acceptable to landlords.
- One property for which the Purchaser was paying a licence fee (Leamington Spa) was subsequently found to contain a sub-tenant which had not been notified to us which resulted in a reworking of the licence fee.
- We were made aware of another property (Wigmore Street) where the Company was still the tenant but where a sub-tenant was also in place and had been paying the rent. We have therefore had to regularise the Company's position and deal with an additional assignment.
- We have continued to have to deal with significant levels of correspondence from utility companies supplying the majority of properties chasing for payment for services provided post sale who have not been made aware by the purchaser of the change of occupier following the sale of the business.

Overall, our additional costs in this area total £31,322 representing 178.3 hours at an average rate of £175.67 per hour.

Dealing with the ring-fenced deposit monies held

It had not been possible to predict with certainty the level of work required in this area and we have incurred more time than estimated in:

- Seeking to identify and contact customers who had paid deposits in order to establish if depositors could be repaid in full and what if any funds can be made available to creditors generally.
- Providing explanations to customers who had paid deposits but whose deposits had not been ring-fenced
- Liaising with credit card companies to assist as requested.

These matters have largely been able to be dealt with at a junior level and additional costs total £9,210 representing 57.6 hours at an average rate of £159.81.

Dealing with on-going correspondence and queries from creditors

It had not been possible to predict with certainty the level of work required in this area and we have incurred more time than estimated in deal with the reasonable requests of creditors, in accordance with our duties as Administrators.

These matters have generally been able to be dealt with at a junior level and additional costs total £9,534 representing 59.5 hours at an average rate of £160.23.

7.2.3 Estimated time costs in the period from 21 March 2018 to closure of the Administration

We have set out in Section 3 above details of assets which remain to be realised and other outstanding matters which need to be completed before the administration can be finalised. In summary, this work is expected to result in additional realisations of between c£800,000 and £1.4m and will enable distributions totalling c£1.8m to £2.3m to be made to creditors.

The costs of dealing with these matters are estimated at £154,063 as set out in the fee estimate for the period from 21 March 2018 to closure attached as Appendix H.

This estimate provides an explanation of the further work that needs to be undertaken during this period of the administration, together with a detailed breakdown of the estimated cost that is anticipated to be incurred in carrying out each part of that work in accordance with the stated assumptions.

7.2.4 Request to approve additional remuneration

Creditors' approval to further fees being drawn £204,063 is being sought. This sum comprises the following:

	£
The proposed uplift to the initial fee estimate for the period 21 September 2017 to 20 March 2018 as noted in Section 7.2.2 above	50,000
Estimated time costs for the period from 21 March 2018 to closure as noted in section 7.2.3 above in line with the fee estimate	154,063
Total	204,063

The estimate provides an explanation of the further work that needs to be undertaken during the period of the administration, together with a detailed breakdown of the estimated cost that is anticipated to be incurred in carrying out each part of that work.

If so approved, the maximum amount that the Joint Administrators will be able to draw in relation to their additional remuneration will be £204,063 as noted above. Any further amounts would require the further approval of creditors although as matters currently stand should the creditors approve this request, it is not anticipated that it will be necessary for to seek any further approval from the creditors for additional fees. Further details of the approval process are set out in Section 8 below.

Category 2 disbursements

Approval was also given by the general body of creditors to the drawing of disbursements, including category 2 disbursements, at the rates prevailing at the time the costs were incurred. Details of disbursements incurred in this period, and whether they have been paid, are attached at Appendix E.

7.2.1 Expenses and Category 1 disbursements

The Joint Administrators proposals included an estimate of £508,098 for the expenses (which included category 1 and category 2 disbursements) that were likely to be incurred during the course of the administration.

A revised statement of these expenses compared to the original estimate is attached at Appendix F. This includes all expenses incurred by the Joint Administrators in the period of the report irrespective of whether or not they have been paid and may include estimated amounts where actual invoices have not been received. The amounts paid in the period are also included, and are shown in the receipts and payments abstract at Appendix B.

At the date of this report the quantum of the expenses (including disbursements) incurred and anticipated to be incurred is higher than the estimate provided to creditors with the Joint Administrators' proposals. The majority of the increase relates to collection fees and disbursements linked to higher than forecast realisations from book debts. Legal fees and insurance related to property matters are also higher as a consequence of the matters noted in Section 2.1.6 above.

7.3.3 Other professional costs

Whilst professional costs are not subject to approval by the relevant approving body, all professional costs are subject to review before being paid.

Squire Patton Boggs (UK) LLP ('Squires') have been retained as legal advisors in view of their general

experience and expertise in these matters. They have provided advice on the sale and purchase agreements, licences to occupy for the leasehold premises, debt assignments and general advice on various other legal matters. Their remuneration has been agreed on the basis of their standard hourly charge-out rates, plus VAT and disbursements. Squires have incurred time costs and disbursements amounting to £142,994 plus VAT in the period and we have agreed and paid fees amounting to £116,980 plus VAT and disbursements of £1,789 plus VAT. We anticipate that further fees of c£20,000 will be incurred in order to finalise a number of outstanding matters which will include but is not limited to, dealing with the assignment of the Company's leasehold properties and the application to Court for approval to make a distribution to unsecured creditors and that total legal costs will be in the region of £163,000.

Sanderson Weatherall LLP ('Sanderson's') were retained as agents in view of their expertise and have carried out a review and valuation of the Company's leasehold properties for which we have agreed and paid a fixed fee of £15,000 plus VAT. In addition, Sanderson's also carried out a full inventory and valuation of the Company's chattel assets and stocks at several locations and have facilitated the agreement of claims by suppliers making retention of title claims. Sanderson's subsequently held and managed an online auction in order to dispose of the Company's residual tangible assets. Their remuneration in this regard has been agreed on the basis of their standard commission rates, plus disbursements and VAT. They have submitted invoices totalling £32,668 plus VAT all of which have been paid in the period.

Baker Tilly Creditor Services LLP ('BTCS') were retained as agents in order to collect the Company's outstanding project debtor book following its re-assignment from Shawbrook Bank. Their remuneration was agreed on a percentage of realisations basis of 10% up to £1,000,000 and 20% on realisations above that amount. Additionally, it was agreed that they would be reimbursed for disbursements relating to IT and other directly attributable office costs and the consultancy costs of two former employees who had detailed knowledge of the Company's customers and who were retained in order to negotiate and agree settlements with a number of specific debtors whose accounts would otherwise have been disputed. To date we have agreed and paid the following:

- Debt collection fees of £100,798 (paid subsequent to the period end)
- Disbursements and consultancy costs of £33,801

We expect further costs will be payable to BTCS on completion of the debt collection process. On the basis that total recoveries amount to £1.8m further fees and disbursements totalling c£160,000 would be payable to BTCS and c£40,000 in further disbursement and consultancy costs.

EK Employment Law Consultants Limited ('EKEL') were retained to assist employees of the Company with general queries relating to their redundancy and assistance with completing redundancy claim forms and liaising with the Redundancy Payments Service. Their remuneration has been agreed on the basis of a fixed fee per employee for services provided and we have received an invoice for costs as agreed in the sum of £3,540 plus VAT. In addition to the above we will be engaging EKEL to calculate and verify the preferential and unsecured employee claims over and above the amounts paid by the Redundancy Payments Service. EKEL have provided a quotation of £3,740 for this work.

In order to ensure we comply with statutory obligations in respect of the Company's pension schemes, we instructed Clumber Consultancy Ltd ('Clumber'), to investigate and provide the Joint Administrators with advice and reports in respect of schemes operated by the Company. Clumber have also prepared the necessary documents in order for a claim to be submitted to the RPS in respect of unpaid pension contributions. In addition, because the Company was the Trustee of a defined benefit pension scheme, Clumber have provided general advice and reviewed correspondence received from the Pensions Protection Fund in order to ensure that this scheme was properly dealt with. Their remuneration has been agreed on a fixed fee for services provided and we have received and paid invoices as agreed in the sum of £2,050 plus VAT. It is anticipated that further work will be required in order to finalise the Administrators' duties in relation to submission of claims to the RPS.

Sagars accountants have been instructed to deal with the calculation and submission of a terminal loss relief claim as noted in Section 2.3.6 above.

The receipts and payments abstract at Appendix B sets out which of these costs have been paid. All such costs are subject to review before being paid

8 Notice of Qualifying Decision Procedure

In accordance with the relevant legislation, I am requesting creditors agree by means of correspondence the Administrators proposals as to the basis they are to be remunerated and may draw disbursements. Formal notice of the decision, together with all other relevant documentation and guidance is attached.

Notice is also attached inviting creditors to decide if a liquidation committee should be formed, if sufficient nominations are received prior to the date specified in the notice. Please note that, in order for a creditors' committee to be formed, there must be at least three creditors wishing to be represented on the committee, and no more than five. Guidance on acting as a committee member can be found at the R3 website, www.R3.org.uk. A hard copy can be requested by telephone, email or in writing to this office.

You may also wish to note that R3 have also produced general guidance on the different insolvency processes, which can again be located at their website.

A Creditors' Guide to Administrators' Fees, which provides information for creditors in relation to the remuneration of an Administrator, can be accessed at <http://rsm.insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

9 Creditors' right to information and ability to challenge remuneration and expenses

In accordance with the provisions of the relevant legislation creditors have a right to request further information about remuneration or expenses (other than pre-administration costs) and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the Administrator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Guide to Administrators Fees, which provides information for creditors in relation to the remuneration of an Administrator, can be accessed at <http://rsm.insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

Should you have any further queries please do not hesitate to contact me.



Gareth Harris
RSM Restructuring Advisory LLP
Joint Administrator

For the purpose of this report, the information provided is based on the information provided to the Administrator by the Company and its officers and is not intended to be a statement of fact.

The Administrator is not responsible for the accuracy or completeness of the information provided to the Administrator by the Company and its officers.

The affairs, business and assets of the Company are being managed by the Joint Administrators who are not responsible for the actions of the Company or its officers.

Appendix A

Statutory, dividend and other information

Company Information	
Company name:	Alno (United Kingdom) Limited
Date of appointment:	21 September 2017
Functions:	The Joint Administrators' appointment specified that they would have power to act jointly and severally. The Joint Administrators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment.
Previous company names:	None
Company registered number:	01173014
Date of incorporation:	06/06/1974
Trading name:	ALNO
Trading address	4 The Boulevard Leeds LS12 6NY
Principal activity:	Wholesale Design And Installation Of Kitchens
Registered office:	RSM Restructuring Advisory LLP Central Square, 5th Floor 29 Wellington Street Leeds LS1 4DL
Previous registered office:	4 The Boulevard West One Office Park Gelderd Road Leeds LS12 6NY

Administration information		
Appointor:	In the High Court of Justice, Chancery Division, Companies Court: 6652 of 2017	
Joint Administrators:	Gareth Harris and Keith Marshall	
Details of any extension:	None	
Proposed exit route:	Dissolution	
Correspondence address & contact details of case manager	Brian Tyrrell RSM Restructuring Advisory LLP, Central Square, 5th Floor, 29 Wellington Street, Leeds LS1 4DL	
Name, address & contact details of Joint Administrators	Primary Office Holder Gareth Harris RSM Restructuring Advisory LLP Central Square, 5th Floor 29 Wellington Street Leeds LS1 4DL 0113 285 5000 IP Number: 14412	Joint Office Holder: Keith Marshall RSM Restructuring Advisory LLP Central Square, 5th Floor 29 Wellington Street Leeds LS1 4DL 0113 285 5000 IP Number: 9745

Dividend prospects	Owed	Paid to date	Estimated future prospects
Secured creditor (Centric SPV 1 Limited)	N/a	N/a	Principal debt repaid pre-appointment
Preferential creditors	£100,000	Nil	100p in £
Unsecured creditors	£8,878,000	Nil	10p to 25p in £
Estimated net property	N/a		
Estimated prescribed part available for unsecured creditors	N/a		
Whether and why the Administrators intend to apply to court under S176(A)(5) IA86	N/a		

Appendix B

Receipts and payments abstract for the period 21 September 2017 to 20 March 2018

SOA Value £		£	£
	ASSET REALISATIONS		
0.00	Bank Interest Gross	596.64	
0.00	Business Rates Refund	20,094.87	
0.00	Cash at Bank	247,862.61	
0.00	Commercial Contracts	1.00	
0.00	Equipment	107,153.00	
0.00	Franchise Agreements	120,000.00	
0.00	Goodwill and brand	41,468.83	
0.00	Intellectual Property	33,334.33	
0.00	Investments in Subsidiaries	90,000.00	
0.00	IT & Computer equipment	183.33	
0.00	License Fees Receivable	318,531.56	
0.00	Petty Cash	72.27	
0.00	Prepayments	2.00	
0.00	Project Ledger	823,934.91	
0.00	Rent	12,499.98	
0.00	Retail Ledger	94,538.70	
0.00	Service Charges	958.73	
0.00	Stock & Display kitchens/appliances	103,995.43	
0.00	Stock/Inventory on Hand	343,500.00	
0.00	Sundry Refunds	312.60	
0.00	Suspense (Accrued service charges)	4,588.34	
0.00	UKSS Ledger	103,335.47	
			2,466,964.60
	COST OF REALISATIONS		
0.00	Agents Fees & Disbursements	(47,667.89)	
0.00	Appointee Fees	(289,440.00)	
0.00	Bank Charges	(276.00)	
0.00	Consultancy Fees	(4,852.60)	
0.00	Debt Collection Disbursements	(33,801.20)	
0.00	I.T. Services	(11,971.41)	
0.00	Insurance	(7,924.90)	
0.00	Joint Administrators' Disbursements	(538.72)	
0.00	Legal Disbursements	(1,789.05)	
0.00	Legal Fees	(116,980.00)	
0.00	Mail Redirection	(204.00)	
0.00	Payroll Services	(250.00)	
0.00	Pension Advice	(2,050.00)	
0.00	Pre Appointment Disbursements	(92.96)	
0.00	Pre Appointment Fees	(71,718.50)	
0.00	Pre Appointment Legal Fees	(14,262.26)	
0.00	Property Insurance & Disbursements	(250.00)	
0.00	Rent and Rates	(320,691.28)	
0.00	Unrecoverable Rent and property disbursements	(19,342.00)	
0.00	Retained employees	(11,719.21)	
0.00	Service Charge	(1,657.44)	
0.00	Vehicle Hire	(323.84)	
			(957,803.26)
	UNSECURED CREDITORS		
0.00	Claims	(147,605.86)	
			(147,605.86)
0.00			
			<u>1,361,555.48</u>
	Deposits Account - RBS	87,391.14	
	Floating Account - RBS	1,190,024.38	
	VAT Receivable (Payable)	84,139.96	
			1,361,555.48

Appendix C

RSM Restructuring Advisory LLP

Charging, expenses and disbursements policy statement

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
- The current charge rates for RSM Restructuring Advisory LLP Leeds are attached.
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A decision regarding the approval of category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Leeds will be sought from the relevant approving party in accordance with the legislative requirements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.

Appendix D

RSM Restructuring Advisory LLP

Joint Administrators' current charge out and disbursement rates

Hourly charge out rates	Rates at commencement £	Current rates £
Partner	480 – 545	500
Directors / Associate Directors	330 – 385	255 – 385
Manager	195 – 290	245 – 290
Assistant Managers	220 – 245	245
Administrators	155 – 220	155 – 220
Support staff	60 - 135	60 – 135

Category 2 disbursement rates	
Internal room hire	£165
Subsistence	£25 per night (from 3 rd September 2013)
Travel (car)	42.5p per mile (from 1 April 2011)
'Tracker' searches	£10 per case

Appendix E

Table of Joint Administrators' category 2 disbursements incurred to date

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest				
Type and purpose	£			
	Original estimate	Incurred to date	Paid to date	Unpaid to date
Mileage	0	3.4	3.4	0
Total	0	3.4	3.4	0

Appendix F

Revised statement of expenses incurred by the Joint Administrators in the period from 21 September 2017 to 20 March 2018.

	£			
	Original estimate	Incurred in period 21.9.17 to 20.3.18	Expected future	Revised Expected total
Agents fees and disbursements - Sanderson Weatherall	30,000	47,668	0	47,668
Bank Charges	100	276	250	526
Bond	85	85	85	170
Debt collection fees & Disbursements - Baker Tilly Creditor Services	279,400	134,599	200,000	334,599
Employee ERA Costs - EK Employment	3,440	3,540	3,740	7,280
I.T. Services	9,921	11,971	0	11,971
Insurance - JLT	3,500	7,925	0	7,925
Joint Administrators Disbursements				0
- Conference Calls & other telephone expenses	0	288	0	288
- Website fee	8	8	0	8
- Storage agent (collection/storage of records)	1,200	1,797		1,797
- Travel	0	22	0	22
- Sustenance	0	48	0	48
- Mileage (category 2)	0	3	0	3
Legal fees - Squire Patton Boggs	125,500	142,994	20,000	162,994
Mail redirection	0	204	0	204
Non-recoverable rent & disbursements	33,150	19,342	0	19,342
Payroll Services	0	250	0	250
Pension Advice - Clumber Consultancy	2,300	2,050	350	2,400
Retained Employee / Consultancy fees	19,000	16,572	0	16,572
Statutory advertising	170	85	0	85
Tax Advisory (terminal loss claim)	0	6,000	5,000	11,000
Vehicle Hire for stock transport - Ogilve Fleet	324	324	0	324
Totals	508,098	396,051	229,425	625,476

Appendix G

Joint Administrators' time cost analysis for the period from 21 September 2017 to 20 March 2018

Hour Spent	Director / Associate Director	Secretary / Associate Director	Manager / Director	Assistant Director	Assistant & Company Clerk	Total Hours	Total Average Time Costs Rates
Administration and Planning							
Appointment	3.6	1.5	0.0	0.0	8.2	23.2	£ 5,505.50 237.31
Background information	0.0	4.1	0.0	0.0	26.2	49.8	£ 5,971.00 119.90
Case Management	14.6	41.5	2.0	5.8	71.8	199.3	£ 45,965.50 230.63
Director(s)/debtor/bankrupt	0.0	3.5	0.0	0.0	10.8	14.9	£ 3,728.50 250.23
Pension Scheme	0.3	5.8	0.0	0.0	20.2	26.3	£ 6,705.00 254.94
Post-appointment - general	0.0	0.0	0.0	0.0	0.7	3.1	£ 364.00 117.42
Pre-appointment matters	0.8	0.1	0.0	0.0	0.0	0.9	£ 426.50 473.89
Receipts and Payments	1.7	1.6	0.0	0.3	69.6	76.7	£ 17,092.00 222.17
Statement of Affairs	0.0	5.3	0.0	0.0	1.0	6.3	£ 2,154.50 341.98
Tax Matters	0.3	11.9	0.5	0.0	4.5	18.3	£ 5,682.50 310.52
Total	21.3	76.3	2.5	6.1	213.0	418.8	£ 93,696.00 223.36
Investigations							
Investigations/CDDA	0.0	9.9	0.0	0.0	4.1	14.3	£ 4,551.50 318.29
Total	0.0	9.9	0.0	0.0	4.1	14.3	£ 4,551.50 318.29
Realisation of Assets							
Assets - general/other	5.6	6.2	0.0	0.0	7.8	21.3	£ 6,876.50 322.84
Chattels	2.0	1.6	0.2	0.0	5.6	9.9	£ 2,887.50 291.67
Debtors & sales finance	6.8	29.6	0.0	0.0	2.9	44.8	£ 15,143.00 338.01
HP/Leasing creditors	0.3	4.0	0.2	0.0	30.2	45.4	£ 9,479.00 208.79
Land and Property	2.6	77.1	0.8	1.4	32.7	118.1	£ 48,546.50 208.62
ROT/ Third Party Assets	0.0	12.9	0.0	0.0	18.0	37.7	£ 9,503.00 252.07
Sale of business	32.5	74.0	0.0	1.0	1.8	110.0	£ 43,306.00 393.69
Stock and WIP	0.4	15.1	0.0	0.5	0.6	18.9	£ 6,156.00 325.71
Total	60.2	220.6	1.2	2.9	99.6	620.7	£ 141,897.60 272.61
Creditors							
1st creditors/shareholders meetings and reports	5.9	48.2	0.0	0.0	26.4	98.1	£ 28,324.00 288.73
Deferred/Postponed Creditors	0.0	60.1	0.0	0.0	3.7	190.2	£ 31,864.00 167.53
Employees	8.6	29.0	3.4	6.8	52.3	116.9	£ 28,926.00 247.44
Other Creditor Meetings and Reports	0.0	14.1	0.0	0.0	0.4	14.5	£ 5,234.50 361.00
Preferential Creditors	0.0	1.7	0.0	0.0	0.2	5.5	£ 1,114.50 202.64
Secured Creditors	2.5	2.0	0.0	0.0	2.0	6.5	£ 2,370.00 364.62
Unsecured Creditors	7.0	17.0	0.0	0.0	48.1	204.7	£ 31,491.00 153.84
Total	24.0	172.1	3.4	6.8	133.1	636.4	£ 129,324.00 203.21
Case Specific Matters - Shareholders							
Shareholders / Members	0.0	0.0	0.0	0.0	0.3	0.4	£ 78.50 196.25
Total	0.0	0.0	0.0	0.0	0.3	0.4	£ 78.50 196.25
Case Specific Matters - Legal Matters							
Legal Matters	1.7	9.6	0.0	0.0	0.2	12.1	£ 4,424.00 365.62
Total	1.7	9.6	0.0	0.0	0.2	12.1	£ 4,424.00 365.62
Total Hours	97.2	487.4	7.1	16.8	460.3	1,602.7	£ 373,870.60 233.28
Total Time Cost	£ 47,117.00	£ 177,762.60	£ 1,712.00	£ 3,706.00	£ 93,990.00	£ 49,693.00	£ 373,870.60
Average Rates	484.74	364.70	241.13	234.56	208.73	91.01	233.28

Appendix H

Joint Administrators' fees estimate

Company Name: Alno (United Kingdom) Limited
 Joint Administrators' fee estimate
 As at: 18/04/2018

	Budgeted hours						SCOPE
	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants / Support Staff	
Charge rate (average per hour)	£486	£365	£0	£245	£203	£123	
Administration and planning	8.2	27.3	-	0.3	112.7	7.7	156.2
Work that must be carried out in order to comply with statutory requirements imposed by the insolvency legislation. This includes additional filing and of post appointment reports and documents, handling of receipts and payments and maintaining a bank account, submission of VAT and Corporation Tax returns, undertaking life reviews, case planning and strategy. Dealing with the Company's pension schemes and corresponding with the Pensions Regulator & Pension Protection Fund. Future time is estimated to be spent on cashing and dealing with distributions cheques and payments							
Investigations	-	-	-	-	-	-	-
At this stage we do not anticipate any further investigations will be necessary.							
Realisation of Assets	4.8	16.8	-	-	39.7	15.0	120.0
Monitoring the debt collection by BTCS on a monthly basis and the collection of other residual ledgers. Finalising property related issues including the assignment and surrender of the remaining lease agreements. Finalising the collection of property related fees and making payments to landlords and dealing with any other property queries							
Trading	-	-	-	-	-	-	-
No trading has been undertaken or is expected							
Creditors	10.0	103.1	-	-	229.8	49.2	392.1
The review and agreement of preferential and unsecured creditor claims. Making one distribution to preferential creditors and making an interim and a subsequent final distribution to unsecured creditors. The budget assumes that any residual claims from customers who have paid deposits can be dealt with quickly and refunds made where appropriate. Additionally it assumes that the bulk of creditor queries have been addressed and that the majority of future time will be spent dealing with claim forms which can be reviewed and adjudicated with minimal dispute or contentious matters arising. The Joint Administrators intend to make an application to court seeking approval to pay an unsecured dividend during the Administration period. It will also be necessary to seek creditors approval to an extension of the Administration to allow time for the debt collection process to be completed. In addition the fee estimate also includes preparation of three statutory formal reports to creditors subsequent to this one							
Case Specific Matters	2.1	3.0	-	-	2.0	-	7.1
Dealing with the application to court for the sanction to declare and pay a distribution to unsecured creditors in the Administration period.							
Total Hours	25.1	150.2	-	0.3	384.2	71.9	675.4
Total time costs	£12,191	£54,823	£0	£74	£78,112	£8,864	£154,063
Total time costs for approval						£154,063	

Appendix I

In the High Court of Justice, Chancery Division Companies Court No 6652 of 2017

Alno (United Kingdom) Limited In Administration

Company No: 01173014

Gareth Harris and Keith Marshall appointed as Administrators to the above company on 21 September 2017

Notice delivered to the creditors on: 20 April 2018

Decision date: 17 May 2018

Notice Seeking Decision by a Qualifying Decision Procedure Pursuant to Section 246ZE of the Insolvency Act 1986 and Rule 18.25 of the Insolvency (England and Wales) Rules 2016 for an increase in remuneration.

Notice is hereby given to the creditors of the above Company seeking their decision on the following matters:

- In the event that a Creditors'/Liquidation Committee is not established, then in accordance with the time cost analysis provided to creditors on 18 April 2018 at Appendix G the Joint Administrators' shall be authorised to draw further remuneration of £50,000 based upon time costs. If so agreed, the revised time cost total will be limited to the sum of £339,440 (plus VAT) for the period 21 September 2017 to 20 March 2018.
- In the event that a Creditors'/Liquidation Committee is not established, then in accordance with the fee estimate provided to creditors at Appendix H the Joint Administrators' shall be authorised to draw their remuneration from 21 March 2018 based upon time costs limited to the sum of £154,063 plus VAT.

The decision is being sought by correspondence.

A voting form is attached, detailing the matters which require your decision, which should be completed and returned to me on or before the decision date.

Please note that to be able to vote you must have submitted a proof of debt form on or before the decision date, and that proof must have been admitted for the purposes of entitlement to vote.

CREDITORS who have OPTED OUT from receiving notices may nevertheless vote if the creditor provides a proof and voting form in accordance with the above provisions.

CREDITORS whose debts are treated as a SMALL DEBT in accordance with Rule 14.31(1) of the Insolvency (England and Wales) Rules 2016 must still deliver a proof if they wish to vote. Rule 14.31(1) states that Office Holders may treat a debt, which is a small debt according to the accounting records or the statement of affairs of the company, as if it were proved for the purposes of paying a dividend. Small debts are defined in Rule 14.1(3) as a debt (being the total amount owed to a creditor) which does not exceed £1,000.

The decisions on the following matters will be deemed to have been made at 23.59 hours on the decision date unless the threshold for requisitioning a physical meeting is met or exceeded within the requisite time scale.

A creditor who disagrees with the manner in which they are treated in relation to the above decision procedure may appeal to the Court within 21 days of the decision date.

Request for Physical Meeting

Creditors may request that a physical meeting of creditors be held to consider the proposed decision. Any such request must be made, in writing, to the address below, on or before 27 April 2018. Any such request must be accompanied by a completed form of proof.

A physical meeting will be held if requisitioned by either 10% in value of the company's creditors, or 10% in number of the company's creditors or 10 of the company's creditors (collectively "the requisition threshold"). If the threshold is met or exceeded, the proposed decision procedure will be terminated (and the proposed decisions will not be deemed to have been made) and a physical meeting of creditors will then be held.

Manager contact details:

Brian Tyrrell
RSM Restructuring Advisory LLP, Central Square, 5th Floor, 29 Wellington Street, Leeds LS1 4DL
Tel: 0113 285 5000
Email: restructuring.leeds@rsmuk.com

Name, address & contact details of Joint Administrators

Primary Office Holder

Gareth Harris
RSM Restructuring Advisory LLP
Central Square
5th Floor
29 Wellington Street
Leeds LS1 4DL
Tel: 0113 285 5000
Email: restructuring.leeds@rsmuk.com
IP Number: 14412

Joint Office Holder:

Keith Marshall
RSM Restructuring Advisory LLP
Central Square
5th Floor
29 Wellington Street
Leeds LS1 4DL
Tel: 0113 285 5000
Email: restructuring.leeds@rsmuk.com
IP Number: 9745

Dated: 18 April 2018



Gareth Harris
RSM Restructuring Advisory LLP
Joint Administrator

NOTE: Please complete the enclosed proof of debt form and return it together with a detailed statement of your account, and voting form, and any other relevant documentation to Brian Tyrrell, at the address above.

Appendix I

In the High Court of Justice, Chancery Division Companies Court No 6652 of 2017

Alno (United Kingdom) Limited - In Administration

Company No: 01173014

Gareth Harris and Keith Marshall appointed as Administrators to the above company on 21 September 2017

Notice delivered to the creditors on: 20 April 2018

Decision date: 17 May 2018

Voting Paper – Qualifying Decision Procedure pursuant to Section 246ZE of the Insolvency Act 1986 and Rule 18.25 of the Insolvency (England and Wales) Rules 2016.

If you wish your vote to be counted please ensure you return this form, duly completed together with a proof of debt form (if one has not already been submitted) and a detailed statement of your claim **on or before the decision date stated above.**

Voting Instructions for Decisions

* delete as applicable

- | | | | | | | | | | | | | |
|----|--|---|----|--|----|--|----|--|----|--|----|--|
| 1. | To appoint a Creditors'/Liquidation Committee to assist the Administrators and subsequent Joint Liquidators. (Note: If you vote in favour of this resolution please ensure you nominate a representative below) | For / Against* | | | | | | | | | | |
| 2. | In the event that a Creditors'/Liquidation Committee is not established, then in accordance with the time cost analysis provided to creditors on 18 April 2018 at Appendix G the Joint Administrators' shall be authorised to draw further remuneration of £50,000 based upon time costs. If so agreed, the revised time cost total will be limited to the sum of £339,440 (plus VAT) for the period 21 September 2017 to 20 March 2018. | For / Against* | | | | | | | | | | |
| 3. | In the event that a Creditors'/Liquidation Committee is not established, then in accordance with the fee estimate provided to creditors on at Appendix H the Joint Administrators' shall be authorised to draw their remuneration from 21 March 2018 based upon time costs limited to the sum of £154,063 (plus VAT). | For / Against* | | | | | | | | | | |
| 4. | Name, address and contact details of nominated creditors (up to 5) for whom you wish to vote for appointment to the creditors' /liquidation committee of Alno (United Kingdom) Limited.

Note: each creditor must complete a consent to act form (see attached) | <table border="0"><tr><td>1.</td><td></td></tr><tr><td>2.</td><td></td></tr><tr><td>3.</td><td></td></tr><tr><td>4.</td><td></td></tr><tr><td>5.</td><td></td></tr></table> | 1. | | 2. | | 3. | | 4. | | 5. | |
| 1. | | | | | | | | | | | | |
| 2. | | | | | | | | | | | | |
| 3. | | | | | | | | | | | | |
| 4. | | | | | | | | | | | | |
| 5. | | | | | | | | | | | | |

*I/We confirm that *I am, am not / *we are, are not a connected party or associate of the company as defined by Sections 249 and 435 of the Insolvency Act 1986.

Name of creditor _____

Address of creditor _____

Signed: _____ Date: _____

Name in BLOCK LETTERS _____

Position of signatory in relation to creditor, if not the creditor _____

Appendix J
Rule 14.4 Insolvency (England and Wales) Rules 2016
Proof of Debt Form

In the High Court of Justice Leeds District Registry No 6652 of 2017
Alno (United Kingdom) Limited In Administration
Company No: 01173014
Gareth Harris and Keith Marshall appointed as Administrators to the above company on 21 September 2017

Relevant date for creditors' claims: 21 September 2017

1	Name of creditor If a company please also give company registration number	
2	Address of creditor for correspondence.	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the relevant date. Less any payments made after that date in relation to the claim, any deduction in respect of discounts and any adjustment by way of mutual dealings and set off in accordance with relevant legislation	£
4	Details of any documents by reference to which the debt can be substantiated. There is no need to attach them now unless the Joint Administrator has requested it	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount.	£
6	Particulars of how and when debt incurred If you need more space append a continuation sheet to this form	
7	Particulars of any security held, the value of the security, and the date it was given.	£ Date
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Date	
	Position with or in relation to creditor	
	Address of person signing (if different from 2 above)	

Notes:

1. This form can be authenticated for submission by email, to restructuring.leeds@rsmuk.com, by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

Appendix K

Notice to creditors inviting establishment of committee and consent to act

Rules: 3.39; 4.15; 6.19; 7.55 and 10.76 of the Insolvency (England and Wales) Rules 2016

In the High Court of Justice, Chancery Division Companies Court No 6652 of 2017

Alno (United Kingdom) Limited In Administration

Company No: 01173014

Gareth Harris and Keith Marshall appointed as Administrators to the above company on 21 September 2017

Notice delivered to the creditors on: 20 April 2018

Notice to creditors inviting establishment of committee

Notice is hereby given that creditors are invited to decide whether a creditors' committee ('committee') should be established, provided that there are no fewer than three and no more than five creditors wishing to be represented on the committee. Nominations are invited for membership of any committee so established, such nominations to be received at Central Square, 5th Floor, 29 Wellington Street, Leeds LS1 4DL no later than 10 May 2018. Nominations will only be accepted from creditors who have submitted a proof of debt which is not fully secured and has neither been disallowed for voting purposes nor wholly rejected for dividend purposes.

Please note that, in order for a creditors' committee to be formed, there must be at least three creditors wishing to be represented on the committee. There can be no more than five committee members.

Guidance on acting as a committee member can be found at the R3 website, www.R3.org.uk. A hard copy can be requested by telephone, email or in writing to this office.

You may also wish to note that R3 have also produced guidance on the different insolvency processes, which can again be located at their website.

Enclosed with this notice are a proof of debt form and a consent to act, both of which should be completed and returned to the above address by the date given above in order for your nomination to the committee to be considered further. If you have already submitted a proof of debt form you do not need to do so again.

Name, address & contact details of Joint Administrators

Primary Office Holder

Gareth Harris
RSM Restructuring Advisory LLP
Central Square
5th Floor
29 Wellington Street
Leeds LS1 4DL
Tel: 0113 285 5000
Email: restructuring.leeds@rsmuk.com
IP Number: 14412

Joint Office Holder:

Keith Marshall
RSM Restructuring Advisory LLP
Central Square
5th Floor
29 Wellington Street
Leeds LS1 4DL
Tel: 0113 285 5000
Email: restructuring.leeds@rsmuk.com
IP Number: 9745

Dated: 18 April 2018



Gareth Harris
RSM Restructuring Advisory LLP
Joint Administrator

NOTE: Please complete the enclosed proof of debt form and consent to act form and return them, to Brian Tyrrell, RSM Restructuring Advisory LLP Central Square, 5th Floor, 29 Wellington Street, Leeds LS1 4DL.

Rule 17.5 of the Insolvency (England and Wales) Rules 2016

In the High Court of Justice, Chancery Division Companies Court No 6652 of 2017

Alno (United Kingdom) Limited In Administration

Company No: 01173014

Gareth Harris and Keith Marshall appointed as Administrators to the above Company on 21 September 2017 Creditors' committee consent to act

If you personally are a creditor, please complete only Part A of this form

If you represent a creditor (eg your employer), please complete only Part B

Part A

I hereby consent to act as a member of the Creditors' committee in respect of the Joint Administrators of the above-named.

Your name:

Your address:

Telephone:

E-mail:

Please sign here:

Dated:

Part B

I am duly authorised by proxy to act as a representative of the below named company as its representative on the Creditors' committee in respect of the Joint Administrators of the above-named, and hereby consent to do so.

Representative's name:

Creditor represented:

Representative's position
in relation to the creditor:

Representative's address:

Telephone:

E-mail:

Please sign here:

Dated: