

# AM10

## Notice of administrator's progress report



Companies House

TUESDAY



A18 \*A7H77C34\*  
23/10/2018 #279  
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 c/o RSM Restructuring Advisory LLP  
Street Central Square  
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 c/o RSM Restructuring Advisory LLP  
Street Central Square  
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.

# AM10

## Notice of administrator's progress report

6

### Period of progress report

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

7

### Progress report

☒ I attach a copy of the progress report


8

### Sign and date

Administrator's  
signature

Signature

X



X

Signature date	d 1	d 8	m 1	m 0	y 2	y 0	y 1	y 8
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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 October 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](mailto: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 March 2018 to 20 September 2018. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

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**

Details of realisations to date are set out below and information relating to any potential dividends to creditors are set out in Appendix A.

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

### **2.1 Realisation of assets**

#### **2.1.1 Sale of business assets**

As previously reported, following our appointment we concluded a sale of the Company's business and assets 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. At the time of our last report we had received £33,333 but it had become apparent that the trademarks could not be transferred without co-operation from the Joint Administrator of Wellmann GmbH & Co ('Wellmann'), so a commercial settlement was agreed with Wellmann for the balance of monies held in escrow of £66,666 to be shared equally.

Accordingly, a further sum of £33,334, has been received in the period of this report relating to the sale of the trademarks bringing total realisations to £66,667.

#### **2.1.2 Deferred consideration relating to Retail and UKSS book debts**

During the period we have received a further of £34,199 in respect of deferred consideration payments relating to the UKSS retail debtors' ledger. In total the sum of £128,738 has been received from this source. Further realisations are expected to be minimal.

#### **2.1.3 Commercial contracts ledger – South (Project ledger)**

In our previous report we advised that, despite the issues faced by the Company prior to the Administration and the cancellation of orders from some commercial customers, good progress had been made in respect of collections in respect of this ledger. Realisations amounted to £823,935 and total collections were estimated at £1.8m.

We are pleased to report that a further £1,364,931 has been received in the current period bringing the total sum realised to date to £2,188,866. Additional recoveries are expected to be in the region of £261,000, over the course of the next three to six months bringing total collections to £2.45m, which is £650,000 higher than our previous estimate.

#### **2.1.4 Commercial contracts ledger – Scotland**

The Company operated an informal joint venture with Creative Designs (Ayr) Limited ("Creative") to service the Scottish commercial market. In order to preserve the existing contracts, Creative paid suppliers and other costs on behalf of the Company amounting to £209,148. In view of Creative's knowledge of the contracts ledger and to minimise counter claims the Joint Administrators agreed to assign the ledger to Creative in return for a percentage of recoveries.

To date we have received £133,023, all of which was collected in the period. Future recoveries from this source are expected to be minimal.

#### **2.1.5 Stock**

Following the settlement of several retention of title claims, the balance of stock held in the Company's warehouse at North Downs Business Park Sevenoaks was sold at auction by our agents Sanderson Weatherall LLP ('Sanderson's'). Sanderson's subsequently identified additional stock held in storage with a third party, which have now been realised for £1,200 plus VAT in the period, bringing total realisations to £105,195.

#### **2.1.6 Leasehold properties**

As previously reported, at the date of our appointment, the Company held leasehold interests in twenty properties. The leases were valued by Sanderson's who concluded there was no value in any of them.

In order to facilitate the sale of the business and to mitigate the potentially large claims arising from the any breaches of the terms of the leases, we arranged for the Company to grant licences to the purchaser to occupy 15 properties in order to allow time for either an assignment of an existing lease or for a new lease to be entered into.

The Company has remained responsible for the payment of accruing rents for the period of occupation following our appointment and we have paid these on behalf of the Company from licence fees received, details of which are included in our receipts and payments account. There have been no receipts or payments in the period of this report.

Two leases are still in process of being assigned and for which we will need to agree a final account with the landlord and purchaser/tenant in order to ensure that they have paid the correct amount of licence fees up to the date of completion. A third property is currently occupied by a sub-tenant and a new lease agreement is being arranged directly with the landlord. Any outstanding rent will be paid on completion by the tenant in occupation and as such the Joint Administrators do not anticipate any further action will be required other than to formalise the surrender.

In addition to the above we are currently also holding the sum of £6,391 in a suspense account in respect of service charges paid on account by the purchaser. These funds will be utilised to settle any outstanding liabilities on completion of the remaining lease assignments.

We have spent a significant amount of time in the period liaising with our solicitors, the respective landlords, tenants and their solicitors in order to bring the above matters to a conclusion for the benefit of creditors. Details are set out in Section 7 below.

#### **2.2 Sundry refunds**

We have received in the period sundry refunds amounting to £1,970 in respect of overpayments and payments on account of various costs prior to appointment.

#### **2.3 Interest**

Where possible funds have been held on an interest bearing account. To date we have received £1,995 of which £1,399 has been received in the reporting period.

#### **2.4 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.

#### **2.5 Case specific matters**

##### **2.5.1 Customer Deposits**

In our last report we advised that as a result of supply and cash flow issues the Company's management had ringfenced deposit monies paid to the Company by bank transfer or cheque as these customers would not have any protection from their card provider in the event that their orders could not be fulfilled.

These monies totalling c£235,000 were held in an account with Barclays Bank and were transferred to the Joint Administrators' account on appointment.

The Joint Administrators in conjunction with their solicitors Squire Patton Boggs ('Squire's'), 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. 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 directly and where possible assistance has been provided in respect of such claims.

At the time of our last report we had refunded £147,605 to customers who have paid deposits by bank transfer or cheque and were holding £87,511 in a trust account in respect of further potentially refundable deposits where a claim has yet to be made.

In the period since our last report we have dealt with queries generally and sought to check if any monies still held, are to be claimed by the parties who paid deposits by bank transfer or cheque. In the absence of contact with any additional customers we have reviewed all details held on our files in respect of deposit creditors and we have satisfied ourselves that there is insufficient information available to pursue this matter further. At this stage, it is therefore unlikely that further claims will be received.

In the absence of any further information it would appear that this surplus can now be paid into the administration estate and be available for the general body of creditors in accordance with legal advice received.

Any customers who have 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 their earliest opportunity.

#### **2.5.2 Retention of title claims, lease companies and third-party assets**

At the date of our appointment the Company was holding stocks of kitchen equipment and appliances, some of which was subject to retention of title ('ROT') claims from the suppliers. These claims have now all been dealt with as a result of which the unsecured claims from these suppliers has reduced.

In addition to ROT we have also dealt with the companies leased vehicles, subject to finance agreements, lease providers in respect of agreements relating to office equipment and vehicle tracking units. We have assisted these suppliers in identifying and collecting their assets which will mitigate unsecured claims against the Company.

During the period we have liaised with the ROT creditors in order to establish revised claims and dealt with queries relating thereto. Where creditor claims have been submitted these have reviewed together with supporting documents provided to ensure that the claims have been adjusted to reflect any reductions as a result of recovered assets.

#### **2.5.3 Terminal Loss Relief Claim**

At the time of our last report we had arranged for Sagars, accountants to prepare and submit to HMRC outstanding corporation tax returns for the two years to the date of Administration, on the basis that there would likely be a substantial terminal loss relief claim.

The returns have since been submitted and HMRC has confirmed that the Company has overpaid corporation tax of £1.253m as a consequence of the terminal loss relief provisions. We are currently awaiting details from HMRC of the refund due to the Company.

#### **2.5.4 Other pension schemes**

In order to ensure we comply with statutory obligations we instructed Clumber Consultancy Ltd, an independent specialist pension advisor, to investigate the Company's pension schemes and provide the Joint Administrators with advice in respect of their obligations relating thereto.

As the Company was the Trustee of a defined benefit scheme we have liaised with the Pensions Regulator and the Trustee's in order to appoint independent Trustee's in this regard. On 27 December

2017, Dalriada Trustee's Ltd were appointed as Trustees of the scheme and during the period we have dealt with a number of general queries arising as a result of their appointment and provided information and documentation where available on request.

## **2.6 Administration and planning**

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;
- Periodic case reviews, case planning and strategy;
- Maintaining and updating computerised case management records;
- General post appointment administration;
- 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;
- 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**

The debt collection exercise is still in progress and this will continue for the next three to six months.

Resolution of any outstanding entitlements to the residual ring-fenced cash balances of c£87,000 needs to be completed in order to release the surplus funds for the benefit of creditors as a whole.

The Corporation Tax refund due to the company from HMRC remains to be finalised and received.

### **3.2 Other outstanding matters**

The assignment and or surrender of the remaining 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 as required by legislation to allow the Joint Administrators to declare and pay a dividend to unsecured creditors whilst the Company is in Administration.

Dealing with all other tasks generally in order to comply with relevant legislative requirements, including reporting to creditors beyond 21 September 2018.

## **4 Extension of the administration**

On 16 August 2018 the Joint Administrators received consent from creditors to an extension of the Administration for a further 12 month period until 20 September 2019, to enable the outstanding matters noted above to be concluded.



## **5 Creditors' claims and dividend prospects**

In our last report we advised that we expected preferential creditors to be repaid in full and that a dividend would be payable to unsecured creditors. The current position is as follows:

### **5.1 Preferential Creditors**

Since our last report we have received a revised preferential claim from the Redundancy Payments Service amounting to £83,328 in respect of arrears of wages and holiday pay which they have paid to employees under the provisions of the Employment Rights Act.

This claim has been reviewed on our behalf by EK Employment Law Consultants ('EKEL'), who have acted for us in relation to the processing of employee claims. EKEL have advised that the claim submitted by the RPS does not include outstanding pension contributions paid to NEST, the Company's employee pension scheme, in respect of outstanding pension contributions deducted from employees but not necessarily paid to the scheme. As such the RPS will need to submit a revised claim, which is awaited.

In addition to this we were aware at the time of our last report of additional residual claims for sums due to employees over and above the statutory limits set by the RPS, which remained to be clarified. For reporting purposes EKEL have estimated these claims to be in the region of £67,674.

Total preferential creditors are expected to be c£154,000 and we anticipate that these can be paid in full once the above claims have been verified.

### **5.2 Unsecured Creditors**

We have continued to progress the submission of unsecured creditors' claims so that an interim distribution can be made from available funds. At the time of our last report there were uncertainties as to the claims of various parties and the current position on these is as follows:

- Since our last report we have received two substantial claims amounting to £1,742,262, and claims from trade and expense creditors now total £9,748,210. We are aware of a further 78 potential creditors who have not yet submitted formal claims and we have made a provision of £674,043 in respect of these pending clarification. All of these claims and potential claims have yet to be formally adjudicated.
- Since our last report we have received from the Redundancy Payments Service a revised unsecured claim of £342,215 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 of £227,037 for sums due to employees over and above the statutory limits set by the RPS which remains to be clarified. These claims are in the process of being reviewed and in estimating the outcome for creditors we have assumed total unsecured employee claims of £569,252 based on information received to date.
- Since our last report we have received notice from the Court that protective awards claims have been dismissed as they were submitted out of time so these will not feature as unsecured claims.
- The provisional claim received from HMRC in respect of outstanding PAYE and VAT has still not been confirmed as being final. This has been chased up and we understand that a response will be received shortly.
- Until such time as the assignment of the residual property leases is completed it will not be possible for landlords with contingent creditors to ascertain their claims. These claims will be substantially mitigated as a consequence of the assignments.

Overall, we currently estimate that claims amount to c£10.079m in comparison to £8.878m at the time of our last report. The value of claims ranking for dividend may change following adjudication.

The overall position is set out below:

	Received £'000	Awaited £'000	Total £'000
Trade & Expense	7,180,769	674,043	7,854,812
Pension Protection fund	606,000	0	606,000
HMRC	640,261	0	640,261
RPS Employee claims	342,215	227,037	569,252
Consumer creditors	164,412	uncertain	164,412
Landlords	1,145,650	uncertain	1,145,650
	<b>10,079,307</b>	<b>901,080</b>	<b>10,980,387</b>

In view of the uncertainties above we have concluded that an interim distribution should be delayed pending clarification. We expect that these matters should be resolved and that a dividend can be paid within the next 3 months, subject to receipt of Court approval to pay a distribution to unsecured creditors. We continue to expect that a dividend in the range of 10 pence to 25 pence in the £ could be payable and the required application to Court for approval is to be made once the position becomes clear.

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.

The agreement of creditors' claims by the Joint Administrators (or any subsequently appointed Supervisor or Liquidator) is a separate matter and will be dealt with as appropriate in due course, initially by reference to the proofs of debt lodged in the proceedings by creditors themselves. As outlined above we have instructed solicitors to deal with an application to court which will allow the Joint Administrators' to deal with unsecured creditor claims during the period of Administration.

## 6 Receipts and payments summary

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

### 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 Approvals received**

On 28 November 2017, in accordance with the initial fee estimate provided to creditors with the Joint Administrators' proposals, the Administrators were authorised to draw their remuneration for the first 6 months of the administration to 20 March 2018 ("the first milestone") limited to the sum of £289,440 plus VAT.

On 20 April 2018 Creditors subsequently approved the Joint Administrators' fees based on time costs limited to the sum of £493,503 (plus VAT) to take account of additional time costs of £50,000 in the period to the first milestone and anticipated on-going costs of £154,063 to the conclusion of the administration.

In accordance with the fees estimate we cannot draw more than £493,503 without obtaining the further approval of the creditors.

## **7.2 Remuneration and expenses (including disbursements) incurred**

In accordance with insolvency legislation we are required to report 'remuneration charged'. This reflects the time charged to the case. If there are insufficient realisations to allow the Joint Administrators' approved remuneration to be paid in full, any balance will be written off. Details of any write off will be set out in the final report.

Our total time costs to date amount to £465,830 of which £373,871 is in respect of the period to the first milestone and £91,959 has been incurred in the current period. Of this, the sum of £359,440 has been paid as shown in our receipts and payments account.

Fees drawn to date are within the estimated amount of £493,503 approved by the creditors. On present information, and on the assumption that the matters remaining to be dealt with in the administration do not turn out to be more onerous than anticipated, and that no new issues come to light, it is not anticipated that this estimate will be exceeded. Should the position change, and those assumptions prove to be invalid, an increase in fees may need to be sought with the approval of the creditors.

## **7.3 Total remuneration incurred and paid in the period from 21 March 2018 to 20 September 2018**

A summary of time costs incurred in the period is attached. These costs relate principally to the following matters:

- The realisation of assets, particularly the property related matters noted in section 4 above, have involved time costs of £26,700. A further £7,125 has been incurred on tax matters relating to the terminal loss relief claim included under the Administration and Planning heading of the attached summary. These costs are significantly outweighed by the benefit to creditors of the actual and anticipated asset realisations to date and the minimisation of creditor claims.
- Reporting to creditors and dealing with creditors' claims £37,034. These costs have been incurred to ensure we comply with our statutory duties and to progress the anticipated payment of dividends for the benefit of creditors.
- Administration and Planning. These amount to £20,182, excluding the costs of dealing with tax matters expected to result in realisations as noted above. These relate to the work undertaken referred to in section 2.6 above.

All of the above costs have been incurred in line with expectations and the fee approvals received to date.

Fees amounting to £70,000 (plus VAT) has been paid in the period of this report as shown in our receipts and payments account.

## **7.4 Category 2 disbursements**

Approval was also given by the general body of creditors and preferential 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, (and previous, periods prior to the approval of their payment), and whether they have been paid, are attached.

## 7.5 Expenses and Category 1 disbursements

Our current estimate of the expenses (including category 1 and category 2 disbursements) which the Administrators expect to incur during the course of the administration are set out in Appendix F. This totals £816,027 in comparison to the estimate of £625,476 included in our last report and the estimate of £508,098 included in our proposals to creditors. The majority of the increase, of £190,551, relates to:

- Additional book debt collections fees and disbursements of £176,754 linked to higher than previously forecast realisations from book debts of £650,000.
- Additional legal fees of £13,273 in respect of property related matters, as a consequence of the matters noted in Section 2.1.6 above.

This includes all expenses incurred by the Joint Administrators in the period of the report irrespective of whether they have been paid or not 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 together with cumulative figures where this is the second, or subsequent, progress report.

### 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's have been retained as legal advisors in view of their general experience and expertise in these matters. They have continued to provide advice on the sale and purchase agreements, licences to occupy for the leasehold premises, debt assignments and general advice on other legal matters. Their remuneration has been agreed on the basis of their standard hourly charge-out rates, plus VAT and disbursements. To date Squire's have incurred time costs and disbursements amounting to c£171,000 and we have agreed and paid fees amounting to £149,080 plus VAT and disbursements of £2,066 plus VAT, including £32,377 in the period. Future time costs are estimated at c£5,000 plus VAT in order to finalise matters relating to the outstanding leasehold properties and the application to Court for approval to make a distribution to unsecured creditors based on which future fees payable would be c£25,000.

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 an inventory and valuation of the Company's chattel assets and stock, held and managed an online auction in order to dispose of the Company's residual tangible assets and dealt with suppliers making retention of title claims. 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 £47,668 plus VAT all of which has been paid.

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 and other directly attributable costs including consultancy costs of two former employees who had detailed knowledge of the Company's customers and were retained in order to negotiate and agree settlements with a number of specific debtors. Fees of £336,777 are payable based on collections to date of which £331,690 has been paid in the period. Disbursements incurred to date amount to £108,118 of which £76,612 have been paid. Future disbursements are expected to amount to £8,741.

EK Employment Law Consultants Limited ('Ekel') have been retained to assist employees of the Company with general queries relating to their redundancy, to complete redundancy claim forms and liaise with the Redundancy Payments Service as necessary. 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 have engaged 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.

Clumber Consultancy Ltd ('Clumber'), were instructed 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, Clumber have provided general advice and reviewed correspondence in respect of a defined benefit pension scheme to which the Company was Trustee, dealt with the Independent Trustees appointed thereafter, the Pensions Protection Fund and the Pensions Regulator 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 the submission of claims to the RPS for which we will obtain costings in due course.

Sagars accountants have been instructed to deal with the calculation and submission of a terminal loss relief claim as noted in Section 3.1 above. A provisional quotation of £11,500 was submitted for this work and accordingly fees amounting to £10,250 have been agreed and paid in the reporting period. Further action may be required pending the response from HMRC, however any additional costs will approval prior to the submission.

Other professional costs that have been incurred are shown on the attached schedule. 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 and any payments made in the period are disclosed in the receipts and payments account at Appendix B, together with cumulative figures where appropriate.

#### **8 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.

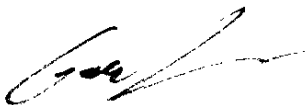
A request for further information must be made in writing within 21 days of receipt of this report.

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 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.

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



**Gareth Harris**

**RSM Restructuring Advisory LLP**

Joint Administrator

Clumber Consultancy Ltd ("Clumber") has been instructed by the Joint Administrators 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, Clumber have provided general advice and reviewed correspondence in respect of a defined benefit pension scheme to which the Company was Trustee, dealt with the Independent Trustees appointed thereafter, the Pensions Protection Fund and the Pensions Regulator 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 the submission of claims to the RPS for which we will obtain costings in due course.

## Appendix A

### Statutory, dividend and other information

Company Information	
Company name:	Alno (United Kingdom) Limited
Date of appointment:	21 September 2018
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:	6 June 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:	The Directors, 4 the Boulevard, City West One Office Park, Gelderd Road, Leeds, LS12 6NY	
Joint Administrators:	Gareth Harris and Keith Marshall	
Details of any extension:	Twelve months to 20 September 2019 by the Creditors	
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	<b>Primary Office Holder</b> Gareth Harris RSM Restructuring Advisory LLP Central Square 5th Floor 29 Wellington Street Leeds LS1 4DL 0113 285 5000 IP Number: 14412	<b>Joint Office Holder:</b> 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	£154,000	Nil	100p in £
Unsecured creditors	£10,980,387 * * Subject to adjudication	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 March 2018 to 20 September 2018

		21/03/2018 to 20/09/2018		Total to 20/09/2018
SOA Value £		£	£	£
<b>ASSET REALISATIONS</b>				
0.00	Bank Interest - Net of Tax	12.27		12.27
0.00	Bank Interest Gross	1,386.43		1,983.07
0.00	Business Rates Refund	0.00		20,094.87
255,869.00	Cash at Bank	0.00		247,862.61
1.00	Commercial Contracts	133,022.78		133,023.78
1,602,687.00	Equipment	0.00		107,153.00
0.00	Franchise Agreements	0.00		120,000.00
3,770,983.36	Goodwill and brand	0.00		41,468.83
1.00	Intellectual Property	33,333.34		66,667.67
3,924,216.98	Investments in Subsidiaries	0.00		90,000.00
0.00	IT & Computer equipment	0.00		183.33
0.00	License Fees Receivable	0.00		318,539.06
0.00	Petty Cash	0.00		72.27
2.00	Prepayments	0.00		2.00
5,687,000.00	Project Ledger	1,364,931.46		2,188,866.37
0.00	Rent	0.00		12,499.98
2,464,000.00	Retail Ledger	34,199.77		128,738.47
0.00	Service Charges	0.00		958.73
0.00	Stock & Display kitchens/appliances	1,200.00		105,195.43
550,000.00	Stock/Inventory on Hand	0.00		343,500.00
0.00	Sundry Refunds	1,969.60		2,282.20
0.00	Suspense (Accrued service charges)	6,391.37		10,979.71
1,028,737.00	UKSS Ledger	0.00		103,335.47
			1,576,447.02	4,043,419.12
<b>COST OF REALISATIONS</b>				
0.00	Accounting Fees	(10,250.00)		(10,250.00)
0.00	Agents Fees & Disbursements	0.00		(47,667.89)
0.00	Bank Charges	(21.00)		(297.00)
0.00	Debt Collection Disbursements	(41,459.12)		(76,612.92)
0.00	Debt Collection Fees	(331,690.29)		(331,690.29)
0.00	I.T. Services	0.00		(11,971.41)
0.00	Insurance	0.00		(7,924.90)
0.00	Joint Administrators' Disbursements	(2,008.51)		(2,547.23)
0.00	Joint Administrators' Fees	(70,000.00)		(359,440.00)
0.00	Legal Disbursements	(276.69)		(2,065.74)
0.00	Legal Fees	(32,100.00)		(149,080.00)
0.00	Mail Redirection	0.00		(204.00)
0.00	Payroll Services	0.00		(250.00)
0.00	Pension Advice	0.00		(2,050.00)
0.00	Pre Appointment Disbursements	0.00		(92.96)
0.00	Pre Appointment Fees	0.00		(71,718.50)
0.00	Pre Appointment Legal Fees	0.00		(14,262.26)
0.00	Property Insurance & Disbursements	(321.82)		(571.82)
0.00	Property Rates	(734.68)		(734.68)
0.00	Property Utilities	(257.08)		(257.08)
0.00	Rent and Rates	(15,084.21)		(355,117.49)
0.00	Retained employees	0.00		(11,719.21)
0.00	Service Charge	(3,500.01)		(5,157.45)
0.00	Vehicle Hire	0.00		(323.84)
			(507,703.41)	(1,462,006.67)
<b>UNSECURED CREDITORS</b>				
(192,581.27)	Claims	0.00		(147,605.86)
(2,361.44)	Employees	0.00		0.00
(5,404,913.12)	Trade and Expense Creditors	0.00		0.00
			0.00	(147,605.86)
<b>EQUITY</b>				
(1.00)	Ordinary Shares	0.00		0.00
			0.00	0.00
			0.00	2,433,806.59
<b>REPRESENTED BY</b>				
	Deposits Account - RBS		87,478.06	
	Floating Account - RBS		2,276,208.28	
	VAT Receivable (Payable)		70,120.25	
				2,433,806.59
13,683,640.51				



## 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 was 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	525
Directors / Associate Directors	330 - 385	270-405
Manager	195 - 290	245 - 290
Assistant Managers	220 - 245	245
Administrators	155 - 220	175 - 235
Support staff	60 - 135	95 - 130

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

## Appendix E

**Table of Joint Administrators' category 2 disbursements incurred in the period 21 March 2018 to 20 September 2018**

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	£		Paid to date	Unpaid to date
		Incurred to date			
		21/09/18 to 20/03/18	21/03/18 to 20/09/18		
Mileage	0	3.4	0	3.4	0
Total	0	3.4	0	3.4	0

## Appendix F

### Statement of expenses incurred by the Joint Administrators in the period from 21 March 2018 to 20 September 2018

	Original estimate	£		Expected future	Expected total
		Incurred 21.09.17 to 20.03.18	Incurred 21.03.18 to 20.09.18		
Accountancy/Tax advisory Fees - Sagars (terminal loss claim)	0.00	6,000.00	4,250.00		10,250.00
Agents fees and disbursements - Sanderson Weatherall	30,000.00	47,668.00	0.00	0.00	47,668.00
Bank Charges	100.00	276.00	21.00	0.00	297.00
Debt collection Disbursements - Baker Tilly Creditor Services & retained consultants	0.00		108,118.00	8,741.00	121,353.00
Debt collection fees - Baker Tilly Creditor Services	279,400.00	134,599.00	202,178.00	53,223.00	390,000.00
I.T. Services	9,921.00	11,971.00	0.00	0.00	11,971.00
Insurance - JLT	3,500.00	7,925.00	305.00	305.00	8,535.00
Employee ERA Costs - EK Employment	3,440.00	3,540.00	3,740.00		7,280.00
Legal fees - Squire Patton Boggs	125,500.00	142,994.00	28,006.00	5,000.00	176,267.00
Mail redirection	0.00	204.00	0.00	0.00	204.00
Non-recoverable rent & disbursements	33,150.00	19,342.00	0.00	0.00	19,342.00
Payroll Services	0.00	250.00	0.00	0.00	250.00
Pension Advice - Clumber Consultancy	2,300.00	2,050.00	0.00	500.00	2,050.00
Retained Employee / Consultancy fees	19,000.00	16,572.00	0.00	0.00	16,572.00
Vehicle Hire for stock transport - Ogilve Fleet	324.00	324.00	0.00	0.00	324.00
<b>Joint Administrators Disbursements</b>					
- Conference Calls & other telephone expenses	0.00	288.00	0.00	0.00	288.00
- Bond	85.00	85.00	0.00	0.00	85.00
- Website fee	8.00	8.00	0.00	0.00	8.00
- Statutory advertising	170.00	85.00	0.00	85.00	170.00
- Storage agent (collection/storage of records)	1,200.00	1,797.00	509.53	500.00	2,806.53
- Travel	0.00	22.00	0.00	0.00	22.00
- Sustenance	0.00	48.00	0.00	0.00	48.00
- Mileage (category 2)	0.00	3.00	0.00	0.00	3.00

## Appendix G

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

Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
<b>Administration and Planning</b>								
Background information	0.4	0.3	0.0	0.0	0.0	0.5	£ 372.00	310.00
Case Management	0.6	7.7	0.0	3.8	34.7	12.0	£ 11,876.50	201.98
Director(s)/debtor/bankrupt	0.0	0.4	0.0	0.0	0.2	0.0	£ 244.00	406.67
Pension Scheme	0.0	0.0	0.0	0.0	2.6	0.0	£ 572.00	220.00
Post-appointment - general	1.1	5.9	0.0	0.0	0.0	0.3	£ 2,741.00	375.48
Receipts and Payments	0.5	0.2	0.0	0.0	30.1	2.0	£ 4,376.50	133.43
Tax Matters	0.2	17.1	0.0	0.0	4.3	1.2	£ 7,125.00	312.50
<b>Total</b>	<b>2.8</b>	<b>31.6</b>	<b>0.0</b>	<b>3.8</b>	<b>71.9</b>	<b>16.0</b>	<b>£ 27,307.00</b>	<b>216.55</b>
<b>Investigations</b>								
Investigations/CDDA	0.0	0.0	0.0	0.0	0.1	0.0	£ 22.00	220.00
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	<b>0.0</b>	<b>£ 22.00</b>	<b>220.00</b>
<b>Realisation of Assets</b>								
Assets - general/other	0.0	0.0	0.0	0.0	3.5	0.0	£ 692.50	197.86
Chattels	0.0	0.2	0.0	0.0	0.2	0.5	£ 179.50	199.44
Debtors & sales finance	0.8	9.3	0.0	0.0	7.4	0.6	£ 5,481.50	302.85
HP/Leasing creditors	0.0	0.7	0.0	0.0	1.1	0.0	£ 497.50	276.39
Land and Property	0.5	15.0	0.0	0.0	45.3	24.8	£ 18,757.50	219.13
ROT/ Third Party Assets	0.0	0.1	0.0	0.0	0.8	3.0	£ 587.50	150.64
Stock and WIP	0.0	1.2	0.0	0.0	0.3	0.0	£ 504.00	336.00
<b>Total</b>	<b>1.3</b>	<b>26.5</b>	<b>0.0</b>	<b>0.0</b>	<b>58.6</b>	<b>28.9</b>	<b>£ 26,700.00</b>	<b>231.57</b>
<b>Creditors</b>								
1st creditors/shareholders meetings and reports	0.2	0.0	0.0	0.0	0.0	0.0	£ 100.00	500.00
Committee	0.0	0.7	0.0	0.0	0.0	0.0	£ 255.50	365.00
Deferred/Postponed Creditors	0.0	0.8	0.0	0.0	0.0	0.9	£ 404.50	237.94
Employees	0.0	1.4	0.0	0.0	6.1	1.3	£ 2,121.00	241.02
Other Creditor Meetings and Reports	1.9	22.5	0.0	1.2	45.2	5.6	£ 20,100.50	263.10
Preferential Creditors	0.0	0.8	0.0	0.0	0.0	0.0	£ 346.00	432.50
Secured Creditors	0.0	0.0	0.0	0.0	0.9	0.0	£ 198.00	220.00
Unsecured Creditors	0.3	8.2	0.0	0.0	31.4	39.5	£ 13,509.00	170.14
<b>Total</b>	<b>2.4</b>	<b>34.4</b>	<b>0.0</b>	<b>1.2</b>	<b>83.6</b>	<b>47.3</b>	<b>£ 37,034.50</b>	<b>219.27</b>
<b>Case Specific Matters - Legal Matters</b>								
Legal Matters	0.1	1.9	0.0	0.0	0.2	0.0	£ 895.50	407.05
<b>Total</b>	<b>0.1</b>	<b>1.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.2</b>	<b>0.0</b>	<b>£ 895.50</b>	<b>407.05</b>
<b>Total Hours</b>	<b>6.6</b>	<b>94.4</b>	<b>0.0</b>	<b>5.0</b>	<b>214.4</b>	<b>92.2</b>	<b>£ 91,969.00</b>	<b>222.88</b>
<b>Total Time Cost</b>	<b>£ 3,280.00</b>	<b>£ 34,780.00</b>	<b>£ 0.00</b>	<b>£ 1,225.00</b>	<b>£ 41,226.00</b>	<b>£ 11,448.00</b>	<b>£ 91,969.00</b>	
<b>Average Rates</b>	<b>496.97</b>	<b>368.43</b>	<b>0.00</b>	<b>245.00</b>	<b>192.29</b>	<b>124.16</b>	<b>222.88</b>	

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

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

# 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.**



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)