

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 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 Liquidator's name

Full forename(s) Gareth

Surname Harris

3 Liquidator's address

Building name/number Central Square, 5th Floor

Street 29 Wellington Street

Post town Leeds

County/Region

Postcode L S 1 4 D L

Country

4 Liquidator's name ①

Full forename(s) Keith

Surname Marshall

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Central Square, 5th Floor

Street 29 Wellington Street

Post town Leeds

County/Region

Postcode L S 1 4 D L

Country

② Other liquidator


Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report												
From date	^d	2	^d	4	^m	0	^m	9	^y	2	^y	0	
To date	^d	2	^d	3	^m	0	^m	9	^y	2	^y	0	

7	Progress report											
	<input checked="" type="checkbox"/> The progress report is attached											

8	Sign and date												
Liquidator's signature	<div>Signature</div> <div>  </div>												
Signature date	^d	0	^d	3	^m	1	^m	1	^y	2	^y	0	

**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 or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

ALNO (UNITED KINGDOM) LIMITED IN LIQUIDATION

JOINT LIQUIDATORS' PROGRESS REPORT

FOR THE TWELVE MONTH PERIOD TO 23 SEPTEMBER 2021

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING



INTRODUCTION

Contact details

The key contacts at RSM in connection with this report are:

Primary office holder	Case manager
Gareth Harris	Gordon Bettany
RSM Restructuring Advisory LLP	RSM Restructuring Advisory LLP
Central Square, 5th Floor, 29 Wellington Street, Leeds, LS1 4DL	Central Square, 5th Floor, 29 Wellington Street, Leeds, LS1 4DL
Tel: 0113 285 5000	Tel: 0113 285 5000

Basis of preparation

This report has been prepared solely to comply with the statutory requirements of the relevant legislation to provide creditors with information relating to the progress of the liquidation. It should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report 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 revision and additional costs. They should not be used as the basis for any bad debt provision or any other purpose. Neither the Joint Liquidators 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. The Joint Liquidators act as agents of the Company and without personal liability.

General guidance on the Liquidation process

You can find guidance on the different insolvency processes at the R3 website www.R3.org.uk. R3 is the trade association for the insolvency profession.

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CONDUCT OF THE LIQUIDATION

Realisation of assets

Terminal loss relief claim

As stated in previous reports, the Administrators had successfully claimed a Terminal Loss Relief ('TLR') refund of c.£1.3m from HM Revenue and Customs ('HMRC'). HMRC applied set off in respect of all crown debts to this refund, including their final claim for outstanding pre-appointment VAT and PAYE, as well as the claim from the Redundancy Payments Service ('RPS'). However, on reviewing HMRC's workings the Liquidators concluded that this set off had been applied incorrectly to elements of the RPS claim.

In the period we have worked with HMRC and the RPS to resolve the position, with had resulted in a final refund of £22,614 being collected into the liquidation. While this realisation is less than originally anticipated, the outcome of the exercise has also resulted in a significant reduction in the total claims against the Company and enhanced dividend prospects for the general body of creditors.

VAT bad debt relief claim

As previously advised, it was anticipated that a VAT bad debt relief claim would be available to the Company once the final position with HMRC had been resolved.

In the period the Liquidators have finalised their investigations into this matter. The complicated nature of the claim, due to the Company mixture of VAT treatment of sales, the assignment and sale of ledgers, and the lack of accounting records in the months leading up to the Company's insolvency mean that it is unlikely that a successful VAT bad debt relief claim would be possible. This fact, combined with the anticipated costs that the Liquidators would have to incur in order to be able to submit such a claim means that it is not deemed commercial to pursue this matter any further.

Bank interest gross

Where possible funds have been held in interest-bearing accounts. In the period gross bank interest of £543 has been received.

Commercial contracts ledger – Scotland

The liquidators have obtained the final payment due to the Company in respect of the sale of the Scottish commercial contracts ledger of £2,862. There are no further payments due from this source.

Business rates refunds

As mentioned in the previous liquidation report, it had come to the Liquidators attention that there were further potential rates refunds due to the Company from previously occupied sites. The Liquidators instructed Exacta PLC to undertake an audit of the rates charged at these sites on a 'no win no fee' basis.

In the period, the Liquidators have received rates refunds due to the Company of £15,188. We do not anticipate any further refunds will be realised from this source.

Historic bank charges refund

The liquidators were approached by Commerzbank, the Company's previous bankers, who had identified a refund due to the Company during their routine reviews. The refund is in respect of historic debit interest charges on the Company's pre-insolvency bank accounts which had been applied using an incorrect interest rate. These charges totalled £4,640 and have been collected by the Liquidators in the current period.

Other refunds

In the period, the Liquidators have obtained sundry refunds of £49 in respect of a historic utility overpayment.

The time costs incurred to date in respect of asset realisations are shown on the attached analysis of time costs.

Investigations

All investigative matters have previously been reported.

Statutory and case management matters

The following work does not usually result in a financial return to creditors but is required by legislation, best practice and to ensure that the case is managed efficiently and effectively. Key work done in the period included:

Statutory requirements

- statutory filing, advertising and appointment notifications to prescribed parties
- preparing, review and issuing progress reports to creditors and other prescribed parties
- taxation matters, post appointment VAT & Tax returns, corporation and other post appointment tax returns and payments
- general taxation matters, including clearance requests
- pension scheme matters, liaising with the Pension Protection Fund, Pensions Regulator and Trustees, appointing an independent trustee, winding up the scheme and stakeholder formalities

Case management matters

- periodic case reviews, ongoing case planning and statutory, liaising with joint office holders
- maintaining and updating computerised case management records
- liaising with former accountants and solicitors
- dealing with routine correspondence not attributable to other categories of work
- maintenance of cashiering records, bank accounts, receipts and payments, billing
- ongoing consideration of ethical, conflict & anti money laundering checks
- arranging re-direction of mail, dealing with re-directed mail.

The time costs incurred to date in dealing with these matters is set out in the attached analysis of time costs.

Receipts and payments

A summary of receipts and payments is attached. Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

OUTSTANDING MATTERS

Assets remaining to be realised

The following assets remain to be realised. Details of the work still required and the anticipated costs are set out in the "Conduct of the Liquidation" section above, and below.

Potential VAT refund for the **Company's pre**-appointment Pension Scheme

The Joint Liquidators have been approached by the Company's pre-appointment pension scheme trustees to ascertain whether the Liquidators are able to assist them in recovering VAT which the scheme has suffered on expenses. These expenses would have previously been paid by the Company directly however since the Company's insolvency, have had to be settled from scheme funds.

The Liquidators are continuing to investigate this matter and are taking specific VAT advice to ascertain whether they are able to assist with such a claim. While any work to assist the scheme would not be of direct financial benefit to the wider body of creditors, it could realise a substantial sum which would help to mitigate the loss which the pre-appointment scheme has suffered since the Company's insolvency. This would be of indirect benefit to those employees of the Company who hold a pension within the scheme. Additionally, we anticipate that any time costs incurred would be recovered from the proceeds of the claim.

Other outstanding matters

Once the above matters have been finalised, the Joint Liquidators will request tax clearances from HMRC and then proceed to close the case.

CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

Dividend prospects

	Owed (£'000)	Paid to date (£)	Estimated future prospects
Secured creditor (1) Centric SPV 1 Limited	N/a	N/a	Principal debt was repaid prior to the previous administration
Preferential creditors	94,008	94,008	100p in the £ paid on 12 July 2019
Unsecured creditors	6,321,264	355,126.94	28 p in the £ paid on 2 February 2021 5.6p in the £ paid on 6 September 2021
Estimated Net Property	N/a		
Estimated 'Prescribed Part' available for creditors	N/a		

Prescribed Part

The 'Prescribed Part' is a statutory amount set aside for unsecured creditors from funds ('Net Property') available to a Qualifying Floating Charge Holder ('QFCH'). The amount of Net Property is calculated on a sliding scale up to maximum £800,000 depending on when the floating charge was created and whether or not it is a first ranking floating charge.

However, there are no QFCHs therefore the Prescribed Part does not apply in the circumstances.

Agreement of claims

Creditors' claims are usually only agreed if there is a likelihood of a dividend being made to that particular class of creditor.

As set out opposite, a dividend was paid to unsecured creditors in the period. Consequently, in the period, work was undertaken adjudicating and agreeing the unsecured claims. This included a significant amount of work, due to: a large number (c.500) of creditors claims; a number of complex claims, which included contracts and contingent liabilities and hence took longer to review and adjudicate; and a number of claims (with a combined value of £1.3m) which had to be rejected, the process of which requires further correspondence with those creditors in accordance with the relevant legislation. Details of the time spent in relation to this work as set out in the attached time analysis.

Dividend payments

Dividends have been paid in accordance with the table opposite. No further dividend will be paid because the funds realised have already been distributed, used or allocated, for paying the costs and expenses of the liquidation.

Creditor communication

The following work was done in the period to comply with legislation, best practice and to ensure creditors were kept informed. It is also necessary to enable a dividend to be paid.

- agreement and/or rejection of unsecured claims, for voting and dividend purposes
- dealing with communication with creditors
- maintenance of schedules of creditors' claims
- agreeing employee claims, submitting documentation to, and liaising with, the Redundancy Payments' Service.
- dealing with HMRC and crown set off
- paying a dividend to unsecured creditors, including notices and advertisement

Creditors only derive an indirect financial return from this work on cases where a dividend has been, or will be, paid.

The time incurred in dealing with these matters during the period is set out in the attached post appointment analysis of time costs.

JOINT LIQUIDATORS' FEES, COSTS AND EXPENSES

Guide to Liquidator's fees and expenses

A Guide to Liquidator's Fees, which provides information for creditors in relation to the fees and expenses of an Liquidator, can be accessed at [\[redacted\]](#) under 'general information for creditors'. A hard copy can be requested from this office by telephone, email or in writing. All fees, costs and expenses are subject to VAT.

Relevant Approving Body

In accordance with the relevant legislation, the Joint Liquidators' remuneration is fixed on the same basis as in the prior Administration. Where applicable, the unsecured creditors are the Relevant Approving Body responsible for any subsequent fee approvals in the liquidation. However, if a liquidation committee is established at any stage, this will become its responsibility and it will be the Relevant Approving Body.

Post Appointment fees, costs and expenses

Basis for remuneration

Insolvency legislation allows a Liquidator to charge fees on one of, or a combination of, the following bases:

- as a percentage of the value of the property the Liquidator has to deal with (percentage basis);
- to the time spent by the Liquidator or their staff on the administration of the case (time cost basis);
- as a set amount (fixed fee basis); or
- a combination of the above (mixed fee basis).

The Joint Liquidators' fees were approved in the prior Administration on a time cost basis, and this is therefore the basis on which the Joint Liquidators' fees are calculated. The Relevant Approving Body subsequently approved the quantum of the Joint Liquidators' fees on this basis, limited to the sum of £129,725 (plus VAT) in accordance with the fee estimate provided to creditors on date. The fee estimate was prepared for the life of the appointment.

Remuneration Charged

Legislation requires that 'remuneration charged' is reported. Remuneration is charged when the work to which it relates is done. It does not mean the Joint Liquidators' fees have been paid. Amounts paid to date, if any, are shown in the attached receipts and payments account.

During the period, the remuneration charged by the Joint Liquidators, on the basis set out above, totalled £65,032. An analysis of time incurred in the period is attached. Time costs incurred since appointment total £112,514.

Further fee approval

The amount of fee that can be drawn is limited to the revised amount approved by the Relevant Approving Body, whether calculated on the basis of time in accordance with a fee estimate, or for a fixed amount or a percentage rate, cannot be further increased or the percentage rate changed, without their approval.

The Joint Liquidators do not anticipate that it will be necessary to seek any further approval for additional fees.

Work sub-contracted by office holders

The Joint Liquidators sub-contracted the following work:

Exacta PLC, rates agents, were instructed to undertake a review of the Company's pre-insolvency business rates to ascertain whether any overpayments had been made and were

due back to the Company. Their fees were agreed on the basis of 33% of total refunds achieved plus VAT. Their fees of £1,900 plus VAT have been paid.

Amounts paid to date are shown in the attached receipts and payments account.

Expenses and professional costs

The total costs and expenses estimated to be incurred by the Joint Liquidators are set out below together with details of those incurred in the period. Amounts incurred in the period may include estimates where actual invoices have not been received. Amounts paid to date are shown in the attached receipts and payments account. The quantum of costs and expenses is in line with estimates previously provided to creditors.

Category 1 expenses

These comprise external supplies of incidental services specifically identifiable to the insolvency estate. They do not require approval of the Relevant Approving Body prior to being paid.

Type of expense	Total estimated (£)	Incurred in period (£)	Paid in period (£)
Postage	-	130	407
Books & records collection & storage	-	1,080	-
Total	-	1,210	407

Category 2 expenses

These are costs which are not capable of precise identification or calculation, or that may include an element of shared or allocated costs. Payments to outside parties that the Joint Liquidators, firm, or any associate has an interest, are also treated as 'Category 2' expenses. These expenses require the specific approval of the relevant Approving Body before being paid from the insolvency estate.

The Relevant Approving Body has approved the payment of the 'Category 2' expenses, at the rates prevailing at the date they were incurred. Details of the current rates are set out below.

Type of expense	Total estimated (£)	Incurred in period (£)	Paid in period (£)
Room hire (£165)	-	-	-
Mileage (42.5p per mile)	-	-	-
Tracker reports (£10 per report)	-	-	-
Subsistence (£25 per night)	-	-	-
Total	-	-	-

Other professional costs

The Joint Liquidators retained the following advisers based on their experience and expertise. These costs are not subject to approval by the Relevant Approving Body. However, they are subject to review and approval by the Joint Liquidators.

Party	Nature of advice	Total estimated (£)	Incurred in period (£)	Paid in period (£)
Exacta PLC	Business rates refunds	-	1,900	1,900
Total		-	1,900	1,900

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

In accordance with the relevant legislation creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

If you wish to make a request for further information, then it must be made within 21 days of receipt of this report in writing by either by (i) any secured creditor or (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors.

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 on the grounds that the remuneration charged, the basis fixed or expenses incurred by the liquidator 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.



Gareth Harris
RSM Restructuring Advisory LLP
Joint Liquidator

Gareth Harris is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
Keith Marshall is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

APPENDICES



APPENDIX A - STATUTORY INFORMATION

Company information		Liquidation information		
Company name:	Alno (United Kingdom) Limited	Joint Liquidators:	Gareth Harris and Keith Marshall	
Company number:	01173014			
Date of incorporation:	6 June 1974	Date of appointment:	24 September 2019	
Trading name:	ALNO	Joint Liquidators:	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
Trading address:	4 The Boulevard, Gelderd Road, 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, Gelderd Road, Leeds, LS12 6NY			
Previous company names:	N/a			
Directors:	Barbaros Arslan Christian Brenner			
Secretary:	N/a			

APPENDIX B - RECEIPTS AND PAYMENTS SUMMARY

Alno (United Kingdom) Limited - LIQUIDATION In Liquidation Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 24/09/2020 To 23/09/2021 £	From 21/09/2017 To 23/09/2021 £
TRANSFERS FROM ADMIN		
Admin VAT Receivable	NIL	19,771.12
Current Account	NIL	2,048,668.22
Deposits Account	NIL	87,700.42
	<u>NIL</u>	<u>2,156,139.76</u>
ASSET REALISATIONS		
Bank Interest Gross	546.90	7,286.20
Book Debts	2,862.00	101,709.24
Business Rates Refunds	15,187.78	18,331.17
Other Refunds	4,689.25	4,689.25
Terminal Loss Relief claim	22,614.20	22,614.20
	<u>45,900.13</u>	<u>154,630.06</u>
COST OF REALISATIONS		
Accountancy Fees	NIL	2,000.00
Agents Fees	1,900.34	1,900.34
Bank Charges	29.18	29.55
Corporation Tax	1,381.49	2,570.51
Debt Collection Fees	NIL	17,120.64
Joint Administrators' disbursements	NIL	818.68
Joint Administrators' fees	NIL	54,091.00
Joint Liquidators' Disbursements	407.25	407.25
Joint Liquidators' fees	39,000.00	74,000.00
Legal Fees	NIL	1,900.00
Rates	NIL	118.18
	<u>(42,718.26)</u>	<u>(154,956.15)</u>
UNSECURED CREDITORS		
Landlord creditors	169,638.93	169,638.93
Misc Claims	15,410.91	15,410.91
PAYE/NIC deductions on Dividends	6,399.13	6,399.13
Trade & Expense Creditors	1,908,620.20	1,908,620.20
	<u>(2,100,069.17)</u>	<u>(2,100,069.17)</u>
	<u>(2,096,887.30)</u>	<u>55,744.50</u>
REPRESENTED BY		
Current Account - RBS (NIB)		63,096.91
Unclaimed Dividend Account		(2,911.37)
VAT Control Account		(34,316.23)
VAT Payable		(572.40)
VAT Receivable		30,447.59
		<u>55,744.50</u>

APPENDIX C - POST-APPOINTMENT TIME ANALYSIS

Joint Liquidators' post appointment time cost analysis for the period 24 September 2020 to 23 September 2021

Please note that we have re-designed our SIP9 analysis table to provide a more detailed breakdown of the work carried out. This change does not alter the value of time costs recorded, purely the row within the table to which that time, and cost, has been allocated.

On 1 July 2021, RSM Restructuring Advisory LLP changed the job titles of some of their staff, and this is reflected in the SIP 9 analysis table. This change does not alter the value of time costs recorded or the column within the table to which that time has been allocated.

Hours Spent	Partners	Directors / Associate Directors	Managers	Associates	Executives & Analysts	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
Statutory Requirements									
Creditors/shareholders decisions, meetings & reports	2.0	1.2	0.0	0.0	13.4	0.0	16.6	£ 3,869.00	233.07
Pension Scheme	0.0	0.0	0.8	0.0	5.9	0.0	6.7	£ 1,248.50	186.34
Taxation	0.4	4.4	5.6	0.0	19.7	0.0	30.1	£ 7,022.50	233.31
Total	2.4	5.6	6.4	0.0	39.0	0.0	53.4	£ 12,140.00	227.34
Realisation of Assets									
Assets - general/other	0.2	1.6	0.0	0.0	4.1	0.0	5.9	£ 1,438.50	243.81
Assets - taxation	0.0	1.6	0.4	0.0	0.0	0.0	2.0	£ 754.00	377.00
Debtors & sales finance	0.3	2.4	0.0	0.0	4.4	0.0	7.1	£ 1,851.50	260.77
Land and Property	0.2	0.3	0.0	0.0	3.9	0.0	4.4	£ 903.00	205.23
Total	0.7	5.9	0.4	0.0	12.4	0.0	19.4	£ 4,947.00	255.00
Case Specific Matters									
Other specific matters	0.0	0.9	0.0	0.0	0.0	0.0	0.9	£ 346.50	385.00
Total	0.0	0.9	0.0	0.0	0.0	0.0	0.9	£ 346.50	385.00
Creditors									
Deferred/postponed/held creditors	0.0	1.3	0.0	0.0	0.0	0.0	1.3	£ 500.50	385.00
Employees	0.0	0.8	0.3	0.0	5.9	0.0	7.0	£ 1,402.00	200.29
Preferential Creditors	0.0	2.9	0.0	0.0	0.0	0.0	2.9	£ 1,116.50	385.00
Unsecured Creditors	2.5	30.1	5.0	0.4	79.0	1.0	118.0	£ 28,294.00	239.78
Total	2.5	35.1	5.3	0.4	84.9	1.0	129.2	£ 31,313.00	242.36
Administration and Planning									
Case Management	2.5	7.6	8.8	0.0	21.6	0.9	41.4	£ 10,511.50	253.90
Cashiering	0.1	0.7	5.1	0.0	20.8	0.0	26.7	£ 5,773.50	216.24
Total	2.6	8.3	13.9	0.0	42.4	0.9	68.1	£ 16,285.00	239.13
Total Hours	8.2	55.8	26.0	0.4	178.7	1.9	271.0	£ 65,031.50	239.97
Total Time Cost	£ 4,305.00	£ 21,262.50	£ 6,944.50	£ 88.00	£ 32,184.50	£ 247.00	£ 65,031.50		
Average Rates	525.00	381.05	267.10	220.00	180.10	130.00	239.97		