

The Insolvency Act 1986

Administrator's progress report

Name of Company

04516845 Limited
formerly RSO Limited

Company number

04516845

In the
High Court of Justice, Chancery Division,
Manchester District Registry

(full name of court)

Court case number
2318 of 2015(a) Insert full
name(s) and
address(es) of
administrator(s)I (a)
David Dunckley
Grant Thornton UK LLP
30 Finsbury Square
London
EC2P 2YU

administrator of the above company attach a progress report for the period

(b) Insert date

From

(b) 20 March 2015

To

(b) 28 April 2015

Signed

Administrator

Dated

15/5/15

TUESDAY



A47R3KWI

A12

19/05/2015

#315

COMPANIES HOUSE



Our Ref DJD/PAM/KLM/TXA/R01137

To the creditors

14 May 2015

Dear Sirs

Recovery and Reorganisation

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

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**04516845 Limited formerly RSO Limited – Liquidation and Formerly In
Administration (the Company)
High Court of Justice, Chancery Division, Manchester District
Registry
No 2318 of 2015**

1 Introduction

- 1 1 I was previously appointed as joint administrator of the Company with James Stewart-Koster on 28 April 2011 and we ceased to act as joint administrators on 28 April 2012
- 1 2 On 20 March 2015, an application to the High Court of Justice was made to appoint me as administrator under a fresh administration order, which was duly granted
- 1 3 Please note that James Stewart-Koster has left Grant Thornton UK LLP and thus has not been appointed as joint administrator under the fresh administration order
- 1 4 Following my re-appointment, I subsequently filed Form 2 34B – Notice of move from administration to creditors' voluntary liquidation. On 28 April 2015 the administration ended and I was appointed as liquidator. This is my final progress report as administrator, including
 - Appendix A, an account of my receipts and payments for the period 20 March 2015 to 28 April 2015 in accordance with Rule 2 47 of the Insolvency Rules 1986
 - Appendix B, a statement of the remuneration charged by the administrator in the period 20 March 2015 to 28 April 2015 and a statement of expenses incurred in the period
 - Appendix C, an analysis of my time costs as required by Statement of Insolvency Practice 9
 - Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator (Rule 2 48A)
 - Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration and expenses, if excessive (Rule 2 109)
- 1 5 Please note that I am authorised by the Insolvency Practitioners Association to act as an insolvency practitioner

Chartered Accountants

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2 Statutory information

2 1 The Company's statutory details are as follows

Registered number 04516845

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

3 Report and outcome of administration

3 1 As noted above, the previous administration ended on 28 April 2012. The Company was dissolved on 1 August 2012.

3 2 The Company was part of a group of companies which included The Ryes School Limited and Pump Farm Limited (the Group). James Stewart-Koster and I were appointed as joint administrators of the Group on 28 April 2011. We were subsequently appointed as joint liquidators of Ryes School Limited on 28 March 2012 and ceased to act on 7 May 2014. We ceased to act as administrators of Pump Farm Limited on 25 April 2012.

3 3 The Group operated a residential school for young persons with challenging behaviour and complex social and educational needs.

3 4 The outcome of the administration was a distribution to the Company's secured creditor, Royal Bank of Scotland plc (the Bank) totalling £236,977. No funds were distributed to the unsecured creditors.

3 5 Since the Company's dissolution, I was made aware by Lloyds Bank plc (Lloyds) that the Company may have been mis sold an interest rate hedging product and that this agreement was to be reviewed.

3 6 The investigations concluded that the product was mis sold and therefore Lloyds offered compensation to the Company totalling £717,424, (the redress).

3 7 In order for the redress funds to be received I applied to the Court for the restoration of the Company to the companies register and for the fresh appointment of myself as administrator.

3 8 The Court granted the application on 20 March 2015 and I was appointed as administrator.

3 9 The Court ruled that immediately upon the appointment of the administrator, the Company should be converted to creditors' voluntary liquidation. The compensation will be received during the liquidation.

3 10 Upon conclusion of the administration, the Court also ruled that discharge from liability is to be requested from the Court.

Liabilities

Secured creditor

- 3 11 The Bank, as secured creditor was owed a total of £4,390,212. This debt was secured by way of fixed and floating charges granted by the Company to the Bank. These charges were supported by inter-company guarantees granted by each of the Group to the Bank.
- 3 12 As reported above, during the previous administration a distribution totalling £236,977 was made to the Bank under its fixed charge. Further distributions totalling £3,092,364 were made to the Bank from the other Group companies.

Preferential creditors

- 3 13 There are no preferential creditors in this matter.

Unsecured creditors

- 3 14 Following receipt of the redress, I can confirm that there will be funds set aside for the benefit of the unsecured creditors by way of a prescribed part.
- 3 15 A prescribed part carve out of the net floating charges is applicable where the floating charge was created after 15 September 2003 and is made available to the unsecured creditors pursuant to Section 176A of the Insolvency Act 1986.
- 3 16 I should be grateful if you would forward details of your claim using the claim form attached.

4 Administrator's remuneration and expenses

- 4 1 The outstanding remuneration from the first administration is a secured claim by virtue of Paragraph 99 of Schedule B1 of the Insolvency Act 1986. Time costs in the former administration totalled £30,617 against which a fee of £2,000 was drawn.
- 4 2 My fee for the new administration is to be agreed by the Bank as secured creditor. You will note from the SIP 9 table attached at Appendix C that my time costs to date are £3,138 and from the receipts and payments account attached at Appendix A that no fee has been drawn.
- 4 3 Background information regarding the fees of administrators can be found at www.insolvency-practitioners.org.uk (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively, I will supply this information by post on request. Time is charged in 6 minute units.

5 Outcome of the administration

- 5 1 As detailed above, The Court ruled that immediately upon the appointment of the administrator, the Company should be converted to creditors' voluntary liquidation.
- 5 2 Accordingly, on 28 April 2015 I filed Form 2.35B – notice of move from administration to creditors' voluntary liquidation at the Registrar of Companies. The administration ended and I was appointed as liquidator.

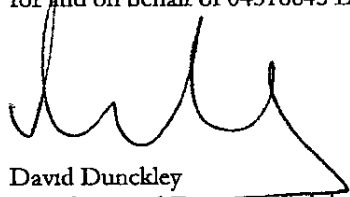
6 Other expenses incurred by the administrator

- 6 1 Legal fees and disbursements totalling £4,171 have been incurred by my lawyers Hill Dickinson LLP in respect of the re-appointment of the administrator and will be paid in the liquidation

7 Contact

- 7 1 If you have any queries please contact Matthew Drinkwater on 0161 953 6386

Yours faithfully
for and on behalf of 04516845 Limited formerly RSO Limited

A handwritten signature in black ink, appearing to read 'David Dunckley', with a long horizontal stroke extending to the right.

David Dunckley
~~Liquidator and Former Administrator~~

04516845 Limited formerly RSO Limited - in
administration
Administrator's receipts and payments account
from 20 March 2015 to 28 April 2015

Receipts	Statement of Affairs (£)	Total (£)
		0 00
Payments		
		0 00
Balance - 28 April 2015		0 00
Made up as follows		
		0 00

Note - VAT is not recoverable

B Remuneration charged and expenses incurred by the administrators in the period

	Paid in period of report	Charged/ accrued in period but not yet paid	Total
	£	£	£
Joint administrators' fees			
Time costs	0	3,138	3,138
Legal fees			
Hill Dickinson LLP	0	2,171	2,171
	<u>0</u>	<u>5,309</u>	<u>5,309</u>

C SIP 9 information

Introduction

The following information is provided in connection with the liquidators' remuneration and disbursements in accordance with SIP 9

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

	From 01/07/14
	£
Partners up to	740
Managers up to	470
Administrators up to	345
Assistants and support staff up to	230

Disbursements

Out of pocket expenses are charged at cost and mileage is charged at standard rates. VAT is added to disbursement charges as necessary.

RSQ Limited - In Administration - R30201137 - SIP 9 TIME COST ANALYSIS
 Job(s) Administration

Transaction period All transactions

Export version - standard Export version - detail Detailed Version

Standard	Partner		Manager		Executive		Administrator		Total		Avg Hrlly Rate
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	
Administration and Planning			5	1,650	3 35	831 25	4 45	558	12 8	3,039 25	237 44
Creditors											
Hiatus period											
Investigations											
Realisation of Assets											
Trading											
Unclassified	16	98 4							16	98 4	615
Total	16	98 4	5	1,650	3 35	831 25	4 45	558	12 96	3,137 65	242 1

Total fees billed to date (Time) : £

D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator

Rule 2.48A

- (1) If
 - (a) within 21 days of receipt of a progress report under Rule 2.47 -
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2.47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the administrator considers that
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of -
 - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2.109(1B) by such further period as the court thinks just

E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses if excessive

Rule 2 109

- (1) 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 the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
 - (a) the remuneration charged by the administrator,
 - (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
 - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
 - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration

Liquidator's ref DJD/PAM/KLM/TXA/Z00044/7
Claimant's ref

04516845 Limited (formerly RSO Limited) - In Liquidation

Creditor's Claim Form

Name and address of creditor _____

Amount claimed in the liquidation £ _____

Particulars of any security held _____

Value of security £ _____

Signature _____

Name and position of signatory
(if not personally the creditor) _____

Telephone _____

E-mail _____

Date _____

Please provide appropriate documentation in support of your claim

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994

Please return this form when you have completed it to

David J Dunckley
30 Finsbury Square, London, EC2P 2YU

Headings in all the official languages of the Institutions of the European Union
(es, da, de, el, en, fr, it, nl, pt, fi, sw)

«Convocatoria para la presentación de créditos Plazos aplicables»
 «Opfordring til anmeldelse af fordringe Vær opmærksom på fristerne»
 „Aufforderung zur Anmeldung einer Forderung Etwaige Fristen beachten!“
 «Προ'σκληση για αναγγελι'α απαιτη'σεως Προσοχη' στις προθεσμι'ες»
 'Invitation to lodge a claim Time limits to be observed'
 «Invitation à produire une créance Délais à respecter»
 «Invito all'insinuazione di un credito Termine da osservare»
 „Oproep tot indiening van schuldvordeingen In acht te nemen termijn»
 «Aviso de reclamação de créditos Prazos legais a observar»
 ”Kehotus saatavan ilmoittamiseen Noudatettavat määräajat”
 ”Anmodan att anmala fordran Tidsfrister att iaktta”

«Presentation de crédito»
 «Anmeldelse af fordring»
 „Anmeldung einer Forderung“
 «Αναγγελι'α απαιτη'σεως»
 'Lodgement of claim'
 «Production de créance»
 «Insinuazione di credito»
 „Indiening van een schuldvordering”
 «Reclamação de crédito»
 ”Saatavaa koskeva ilmoitus”
 ”Anmalan av fordran”