

WU07

Notice of progress report in a winding-up by the court



Companies House

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19/10/2019

#12

COMPANIES HOUSE

1 Company details

Company number 0 5 8 9 2 5 1 1

Company name in full Rednet Associates Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Keith

Surname Algie

3 Liquidator's address

Building name/number 3 Hardman Street

Street

Post town

Manchester

County/Region

Postcode

M 3 3 H F

Country

4 Liquidator's name Ⓢ

Full forename(s) Lindsey J

Surname Cooper

Ⓢ Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address Ⓢ

Building name/number 3 Hardman Street

Street

Post town

Manchester

County/Region

Postcode

M 3 3 H F

Country

Ⓢ Other liquidator

Use this section to tell us about
another liquidator.

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6	Period of progress report											
From date	^d 1	^d 2	^m 0	^m 8	^y 2	^y 0	^y 1	^y 8				
To date	^d 1	^d 1	^m 0	^m 8	^y 2	^y 0	^y 1	^y 9				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	Signature X <i>Kerol M96</i> X											
Signature date	^d 2	^d 4	^m 0	^m 8	^y 2	^y 0	^y 1	^y 9				

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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 **David Pritchard**

Company name **RSM Restructuring Advisory LLP**

Address **9th Floor**

3 Hardman Street

Post town **Manchester**

County/Region

Postcode **M 3 3 H F**

Country

DX

Telephone **0161 830 4000**



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

In the matter of

**Rednet Associates Limited In Liquidation
(‘the Company’)**

Joint Liquidators progress report

12 August 2018 to 11 August 2019

**Keith Algie and Lindsey J Cooper
Joint Liquidators**

**RSM Restructuring Advisory LLP
9th Floor
3 Hardman Street
Manchester
M3 3HF
0161 830 4000
restructuring.manchester@rsmuk.com**

Sections

1. Conduct of the winding-up in the previous twelve months
2. Details of what remains to be done and matters preventing closure
3. *Creditors' claims and dividend prospects*
4. Receipts and payments summary
5. Joint Liquidators' remuneration, disbursements and expenses
6. Creditors' rights to information and ability to challenge remuneration and expenses

Appendices

- A. Statutory and other information
- B. Dividend Prospects
- C. Summary of receipts and payments
- D. RSM Restructuring Advisory LLP's charging, expenses and disbursements policy statement
- E. RSM Restructuring Advisory LLP Manchester charge out and category 2 disbursement rates
- F. Statement of expenses incurred by the Joint Liquidators in the period from 12 August 2018 to 11 August 2019
- G. Joint Liquidators' time cost analysis for the period from 12 August 2018 to 11 August 2019

This report has been prepared in accordance with insolvency legislation to provide creditors and members of the Company with information relating to the progress of the Winding Up in the period from 12 August 2018 to 11 August 2019. 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 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 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.

1 Conduct of the winding-up in the previous twelve months

1.1 Realisation of assets – Legal Actions

The Joint Liquidators are obliged to realise and get in the Company's property and maximise realisations. In some cases, this does not result in sufficient realisations to result in a financial benefit to creditors, after taking into account the costs and expenses of realisation and dealing with the legislative requirements of administering the case.

There are no physical assets remaining to be realised in this matter. However as previously reported Rednet Associates Limited ('the Company') is comprised within a wider group investigation of companies connected to Mr Paul Bell. Headline claims arising from the wider group investigation, valued at £67m were pursued against Mr Bell.

Details of the realisations made are set out below with information relating to dividends, if any, contained within Appendix B.

1.2 Investigations

We can advise you that, following our initial assessment, further investigations were undertaken in respect of the Company and those other companies connected to Mr Bell. We confirm that these actions have now been concluded.

1.3 Case specific matters

All parties agreed to a mediation on 20 May 2019 in an attempt to resolve the underlying dispute. Following mediation, all claims against Bell and the underlying dispute were compromised by way of a confidential settlement agreement dated 20 May 2019. All settlement monies are to be received by Gateley Plc (the Joint Liquidators appointed Solicitors) via Hill Dickinson LLP, on behalf of Mr Bell, in accordance with the settlement agreement.

The Company has not directly received any monies from this settlement, during the period under review in accordance with the settlement agreement. Any amounts received in accordance with the settlement agreement shall be disclosed in future annual reports for the relevant period of receipt.

1.4 Administration and planning

Certain aspects of the work that the Joint Liquidators undertake are 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 Liquidators are complying with both of their legislative and best practice responsibilities and ensuring that the case is managed efficiently and effectively. It includes matters such as:

- Periodic case reviews, ongoing case planning and strategy;
- Maintaining and updating computerised case management records;
- Dealing with routine correspondence not attributable to other categories of work;
- Ongoing consideration of ethical and anti-money laundering regulations;
- General taxation matters;
- Preparation of receipts and payments accounts, maintenance of cashiering records;
- Filing of documentation at Companies House, Court and other relevant parties.

2 Details of what remains to be done and matters preventing closure

2.1 Assets remaining to be realised

There are no physical assets to be realised in this matter.

2.2 Other outstanding matters

The details of the settlement agreement reached with Mr Bell at Mediation on 20 May 2019, are subject to a confidentiality clause and subsequently are not reported upon.

This matter will remain open pending successful completion of the terms of the settlement agreement and will be considered for closure subject to the agreement of the Joint Liquidators and their legal advisers.

3 Dividend prospects for creditors

Creditors' claims as set out in the Statement of Affairs totalled £11,857.16.

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix B, including any amount under the prescribed part. 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 Liquidators 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:

- General administrative matters in relation to progressing the case;
- 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;

In accordance with the relevant legislation no dividend has been distributed as insufficient funds have been realised.

4 Receipts and payments summary

We attach as Appendix C a summary of our receipts and payments for the period from 12 August 2018 to 11 August 2019.

4.1 VAT basis

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

5 Joint Liquidators remuneration, disbursements and expenses

5.1 Authority for remuneration, disbursements and expenses

Fees in connection with this and other connected 'ZOIC' Liquidation cases are able to be taken in accordance with the HM Revenue & Customs fee resolution approved on 14 October 2011. No such remuneration application has been made in the period under review and will be deferred until future reporting periods.

Approval was also given to the drawing of disbursements, including category 2 disbursements. Details of the current rates are attached at Appendix D.

5.1.1 Remuneration and disbursements incurred in the period from 12 August 2018 to 11 August 2019 and since appointment

The Joint Liquidators are required to report 'remuneration charged' to the case in the current period. The Joint Liquidators have incurred time costs of £2,284.50 in respect of work done in the current period, a summary of which is attached at Appendix G. Total time costs of £20,668.80 have been incurred since appointment. This remains outstanding and has been provided for on a prudent basis.

The work that we do as Joint Liquidators is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature in general. The actual matters with which we are dealing are set out briefly in both this report and in our earlier reports to creditors.

We believe this case generally to be above average complexity, due to the nature of Mr Bell's businesses and the investigation required in respect of the intercompany transactions, which placed extraordinary responsibility upon us as Joint Liquidators. The underlying basis of charging proposed to and approved by the creditors has been RSM Restructuring Advisory LLP standard charge out rates. RSM Restructuring Advisory LLP charge out rates have been reviewed periodically.

5.2 Expenses and disbursements

Attached are the Joint Liquidators' charging, expenses and disbursement policy statement, together with the current rates. Details of the expenses (including category 1 and category 2 disbursements) that the Joint Liquidators have incurred in the period of the report are also attached at Appendix F.

Expenses paid in the period, along with cumulative figures, are shown in the attached receipts and payments account.

5.2.1 Other professional costs

Gateley Plc have been retained as legal advisors in view of their general experience and expertise in these matters. They have advised us on significant matters leading up to and including the mediation on 20 May 2019. I have agreed their remuneration on the basis of their standard hourly charge-out rates, plus VAT and disbursements, and uplift on success as appropriate. No legal fees have been allocated to this matter in the period under report.

6 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 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 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.

A Guide to Liquidators' Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at <http://rsm.insolvencypoint.com/RREDNET> 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 David Pritchard who is dealing with this matter on my behalf.



Keith Algie
RSM Restructuring Advisory LLP
Joint Liquidator

This report is a confidential document. It is intended for the use of the creditors of the company and should not be disclosed to any other person without the prior written consent of RSM Restructuring Advisory LLP. The information contained in this report is for general information only and does not constitute an offer of any financial product or service. RSM Restructuring Advisory LLP is not responsible for any loss or damage suffered by any person acting on the basis of the information contained in this report. RSM Restructuring Advisory LLP is a limited liability partnership registered in England and Wales. It is authorised to act as a liquidator under the Insolvency Act 1986. It is also authorised to act as an insolvency practitioner under the Insolvency Act 2003. It is a member of the Insolvency Practitioners Association (IPA).

Appendix A

Statutory and other information

Company information	
Company name:	Rednet Associates Limited
Company number:	05892511
Date of incorporation:	1 August 2006
Previous company names:	n/a
Trading name:	n/a
Trading address:	10 The Edge, Clowes Street, Manchester, M3 5NB
Principal activity:	Other Business Activities
Registered office:	RSM Restructuring Advisory LLP 9th Floor, 3 Hardman Street, Manchester M3 3HF
Previous registered office:	10 The Edge, Clowes Street, Manchester, M3 5NB

Liquidation information		
Joint Liquidator:	Keith Algie (appointed 15 October 2013) and Lindsey J Cooper (appointed 12 August 2010) Russell S Cash (appointed 12 August 2010 and released from office 25 November 2013)	
Date of appointment:	12 August 2010	
Court & reference:	In the Salford County Court No. 393 of 2010	
Appointment Method:	by Secretary of State	
Functions:	The Joint Liquidators' appointment specified that they would have power to act jointly and severally. The Joint Liquidators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment.	
Correspondence address & contact details of case manager:	David Pritchard 0161 830 4000 RSM Restructuring Advisory LLP, 9th Floor, 3 Hardman Street, Manchester, M3 3HF	
Name, address & contact details of Joint Liquidator:	Primary Office Holder Keith Algie RSM Restructuring Advisory LLP 3 Hardman Street, Manchester, M3 3HF 0161 830 4000 IP Number: 14090	Joint Office Holder: Lindsey J Cooper RSM Restructuring Advisory LLP 3 Hardman Street, Manchester, M3 3HF 0161 830 4000 IP Number: 008931

Appendix B

Dividend prospects

	Owed*	Paid	Estimated future prospects
Secured creditor	n/a	n/a	n/a
Preferential creditors	n/a	n/a	n/a
Unsecured creditors	£11,857.16	NIL	not known
Estimated net property	n/a		
Estimated prescribed part available for unsecured creditors	n/a		

* Per Claims received. Any estimated outcome for creditors is illustrative and may be subject to change.

23 September 2019 16:12

Appendix D

RSM Restructuring Advisory LLP charging, expenses and disbursements policy

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 Manchester 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 resolution to consider approving category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Manchester will be proposed to 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 E

RSM Restructuring Advisory LLP Manchester charge out and category 2 disbursement rates

Hourly charge out rates		
	Rates at commencement	Current rates
	£	£
Partner	375	575
Directors / Associate Directors	n/a	385-475
Manager	140-225	245-335
Assistant Managers	140	240-245
Administrators	120	105-240
Support staff	75	195

Category 2 disbursement rates	
Internal room hire	£165
Subsistence	£25 per night (from 3 rd September 2013) £23 per night (up to 2 nd September 2013)
Travel (car)	42.5p per mile (from 1 April 2011) 40p per mile (from 1 April 2010)
'Tracker' searches	£10 per case

Appendix F

Statement of expenses incurred by the Joint Liquidators in the period from 12 August 2018 to 11 August 2019

	£			
	Incurred to date		Paid to date	Unpaid
	12/08/2010 to 11/08/2018	12/08/2018 to 11/08/2019		
EXPENSES (EXCLUDING CATEGORY 2 DISBURSEMENTS)				
Appointee disbursements:				
Insolvency Services Account Quarterly Fee	672.00	88.00	760.00	
Official Receivers Debit Balance	2,235.00		2,235.00	
Sub Total	2,907.00	88.00	2,995.00	
CATEGORY 2 DISBURSEMENTS				
RSM Restructuring Advisory LLP - Appointee disbursements:				
RSM Restructuring Advisory LLP - Mileage				
RSM Restructuring Advisory LLP - Tracker search				
Sub Total				
Total	2,907.00	88.00	2,995.00	

Appendix G

Joint Liquidators time cost analysis for the period from 12 August 2018 to 11 August 2019

Please note that we have re-designed our SIP9 analysis table to provide a more detailed analysis of the grades of staff within the firm. Please note that this change does not alter the value of time costs recorded, purely the column within the table to which that time, and cost, has been allocated.

Appendix G

Rednet Associates Limited

768210-700 Post Appoint WUC

For the period 12/08/2018 to 11/08/2019

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
From	Administration and Planning									
Aug 2018	Case Management	0.0	0.4	1.4	0.3	1.9	0.0	4.0	£ 868.50	217.13
	Receipts and Payments	0.0	0.0	0.0	0.0	0.1	0.0	0.1	£ 17.00	170.00
	Tax Matters	0.0	0.1	0.0	0.3	0.4	0.0	0.8	£ 221.50	276.88
	Total	0.0	0.5	1.4	0.6	2.4	0.0	4.9	£ 1,107.00	225.92
	Creditors									
	Other Creditor Meetings and Reports	0.0	0.3	3.0	0.0	1.5	0.0	4.8	£ 1,177.50	245.31
	Total	0.0	0.3	3.0	0.0	1.5	0.0	4.8	£ 1,177.50	245.31
	Total Hours (From Aug 2018)	0.0	0.8	4.4	0.6	3.9	0.0	9.7	£ 2,284.50	235.52
	Total Time Cost (From Aug 2018)	£ 0.00	£ 378.00	£ 1,073.50	£ 147.00	£ 686.00	£ 0.00	£ 2,284.50		
	Total Hours	0.0	0.8	4.4	0.6	3.9	0.0	9.7	£ 2,284.50	235.52
	Total Time Cost	£ 0.00	£ 378.00	£ 1,073.50	£ 147.00	£ 686.00	£ 0.00	£ 2,284.50		
	Average Rates	0.00	472.50	243.98	245.00	175.90	0.00	235.52		