

WU15

Notice of final account prior to dissolution in a winding up by the court



Companies House

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

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 ①

Full forename(s) Lindsey J

Surname Cooper

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 3 Hardman Street

Street

Post town Manchester

County/Region

Postcode M 3 3 H F

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Liquidator's release

Did any of the creditors object to the liquidator's release?

☐ Yes

☒ No

7 Date of final account

Date

d	0	d	2	m	0	m	6	y	2	y	0	y	2	y	1
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

8 Final account

☒ The final account is attached

9 Sign and date

Liquidator's signature

Signature

X

Ken & Algie

X

Signature date

d	0	d	5	m	0	m	8	y	2	y	0	y	2	y	1
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**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 **Lorna Cook**

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

REDNET ASSOCIATES LIMITED IN LIQUIDATION

JOINT LIQUIDATORS' FINAL ACCOUNT

FOR THE TEN MONTH PERIOD TO 03 JUNE 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
Keith Algie	David Pritchard
RSM Restructuring Advisory LLP	RSM Restructuring Advisory LLP
9th Floor, 3 Hardman Street, Manchester,	9th Floor, 3 Hardman Street, Manchester,
M3 3HF	M3 3HF
Tel: 0161 830 4000	Tel: 0161 830 4000:

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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 may also wish to note that the profession's trade body, R3, have also produced general guidance on the different insolvency processes, which can be located at their website

Appendices

CONDUCT OF THE LIQUIDATION

Realisation of assets

Enquiries were made to establish if there were any tangible assets in this liquidation. The Joint Liquidators were unable to establish that there were any remaining assets and no assets were specifically pledged by the Director upon liquidation to the Official Receiver.

There have been no time costs incurred in this final reporting period in respect of asset realisations as reflected on the attached analysis of time costs.

Investigations

This liquidation was part of a wider group of 24 companies connected by Mr Paul Bell, either as de jure director, or shareholder in which HMRC were the majority creditor and or the petitioning creditor. The investigation was known as "Project ZOIC".

The Joint Liquidators progressed an investigation into the causes of failure of the Company and the conduct of the director in the period leading up to liquidation. The investigation comprised but was not limited to the following matters:

- Getting in and reviewing all books and records of the company (where possible) and examining the causes of deficiency / dissipation of assets as stated per the last set of accounts as compared to the assets disclosed in the Official Receiver's report to creditors
- Examination, interview and enquiry of the Director (where possible) in relation to the activity of the company and transactions occurring prior to liquidation
- Getting in, scanning and forensically analysing via Altia, all bank statements of the Company for a minimum five year period prior to liquidation, to review for unexplained transactions, potential non disclosed assets and to perform an antecedent review of suspect transactions or payments worthy of further investigation, to understand if they were in the best interests of the Company.

- Escalation of S236 IA 86 enquiries of any and all professional advisors, creditors, suppliers, Directors and third parties who received monies from the Company; in an effort to understand the true commercial substance of each transaction. Obtaining legal and counsel advice (as appropriate) in relation to the third party representations regarding the nature of each transaction, to understand whether there was a potential claim or right of action, capable of being pursued for the benefit of the liquidation estate.

- Regular liaison and case progression meetings with HMRC and the legal advisors to agree strategy and next steps at each key stage of the investigation.

- Attending case conferences and obtaining advice from counsel as regards the best claim, or right of action to be progressed to effect restitution on this and other connected case matters.

Following completion of the investigations on this and connected matters; the Joint Liquidators issued a global claim against Mr Bell for £67m, in relation to alleged breach of fiduciary duty, unauthorised capital distributions and in relation to causing void disposition payments to be made.

Mr Bell submitted a defence to these alleged claims by an agreed extended deadline of 29 November 2018 and subsequently the defence and supporting documentation was extensively examined by the Joint Liquidators, their legal advisors and leading counsel.

Following without prejudice correspondence, 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 pertaining to that agreement are being received by Gateley PLC (the Joint Liquidators appointed Solicitors) via Hill Dickinson LLP, on behalf of Mr Bell.

Unfortunately, following conclusion of the investigations and in accordance with legal advice, no claims for restoration were advanced against Mr Bell from this particular estate. Accordingly, this case has not received any monies in accordance with the confidential settlement agreement and nor is it expected to.

Time incurred in this final period relates to corresponding with The Official Receiver.

Case specific matters – Legal Matters

Gateley PLC were appointed as advising Solicitors on this case and across the wider group to assist with the investigations as detailed in earlier reports.

Unfortunately, it was considered that the potential claims arising from this case did not have sufficient merit to be included in the headline claim issued. Accordingly, the estate shall receive no monies in relation to the confidential settlement agreement.

Whilst, the settlement agreement remains live, it has been agreed with HMRC that as this case is now peripheral to the core settlement terms, that the matter can now be progressed to closure, and the Joint Liquidators are seeking their release.

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. Work done in the period included:

- ongoing consideration of ethical and anti-money laundering regulations;
- ongoing consideration of insurance of assets and cancelling as assets are sold,
- collecting and scheduling of books and records;
- periodic case reviews, ongoing case planning and strategy;
- maintaining and updating computerised case management records;
- maintenance of cashiering records and preparation of receipts and payments accounts;
- filing of statutory documentation at Companies House and Court, and with other relevant parties;
- general taxation matters, including seeking tax clearance from HMRC;
- dealing with routine correspondence not attributable to other categories of work, including telephone calls and emails;
- preparing, reviewing and issuing reports to creditors and other parties;
- general administrative matters in relation to closing the case; and
- any specific case administration and planning matters not included above

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.

CLOSURE OF THE LIQUIDATION

Closure of the Liquidation

Notice that the Company's affairs are fully wound up is attached. This notice explains creditors' rights in respect of the closure of the liquidation as well as how the Joint Liquidators will vacate office and obtain their release.

The Company will be dissolved (cease to exist) automatically three months after the Joint Liquidators file the final account and statement with the Registrar of Companies.

CREDITORS' CLAIMS AND DIVIDENDS

Dividend prospects

	Owed (£)	Paid (£)	Date Paid
Secured creditor	NIL	NIL	N/A
Preferential creditors	NIL	NIL	N/A
Unsecured creditors	11,857.16	NIL	N/A
Net Property	N/A		
'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 were no QFCHs and the Prescribed Part did not, therefore, apply.

Agreement of claims

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

As there was no likelihood of a dividend being paid to any class of creditor, no work was done to agree creditors' claims, other than that necessary for the purposes of admitting claims for voting, where applicable.

Dividend payments

As noted above, unfortunately there were insufficient funds to allow a dividend to be paid to any class of creditor, after taking into account the costs and expenses of realisation and dealing with the statutory requirements of administering the case.

Creditor communication

The following work was done to comply with legislation, best practice and to ensure creditors were kept informed.

- Preparation and issue of progress reports to various parties, including creditors.
- Maintenance of schedules of unsecured creditors' claims.
- Dealing with correspondence and telephone calls.
- Consideration of creditors' claims; acceptance or rejection of claims and complying with the legislative obligations in relation to adjudication of creditors' claims generally for voting.
- Key strategy meetings with HMRC to discuss progress of the connected investigations.

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

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 [www.gov.uk](#) 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

The unsecured creditors were the Relevant Approving Body responsible for approving the Joint Liquidators' fee basis and, where applicable, 'Category 2' expenses.

Post Appointment fees, costs and expenses

Basis of fees

The Joint Liquidators' fee basis was agreed with the major creditor based on time costs incurred. However, no amounts have been paid specifically by this estate as reflected in the attached receipts and payments account and all costs incurred have been fully provided for.

Costs to Closure

The Joint Liquidators anticipate that additional costs to closure of £3,000 - £4,000 will be incurred, in respect of issuing this final account and dealing with statutory notices and filing at the end of the required period and sundry administration in respect of completing the administration of this liquidation. These costs will be written off.

Remuneration charged and paid

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 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 £4,649.00. An analysis of time incurred in the period is attached. Time costs incurred since appointment total £30,769.80.

Expenses and professional costs

No estimate of costs and expenses was originally provided to creditors and only a minor expense has been incurred in this final reporting period.

Category 1 expenses

There were no Category 1 expenses in this final reporting period, these would usually 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.

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 Office Holder, 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 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	Incurred in period (£)
Room hire (£165)	0
Mileage (42.5p per mile)	0
Tracker reports (£10 per report)	0
Subsistence (£25 per night)	0
Total	0

Other professional costs

The office holders retained Gateley PLC Solicitors as advisers, providing legal advice and general advice and assistance with regards to investigation enquiries, based on their experience and expertise. These costs were not subject to approval by the Relevant Approving Body. However, they were subject to review and approval by the Joint Liquidators. In this specific case Gateley's have not made any direct charge for their services.

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.



Keith Algie
RSM Restructuring Advisory LLP
Joint Liquidator

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

Lindsey J Cooper 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



A. STATUTORY INFORMATION

Company information		Liquidation information		
Company name:	Rednet Associates Limited	Court reference:	Salford County Court No 393 of 2010	
Company number:	05892511	Joint Liquidators:	1) Keith Algie 2) Russell Cash and Lindsey J Cooper	
Date of incorporation:	01/08/2006	Date of appointment:	1) 15/10/2013 2) 12/08/2010 Russel Cash ceased to act on 25/11/2013	
Trading name:		Appointment Method:	1) Court order (bulk transfer) – replacing R. Cash 2) By The Secretary of State	
Trading address:	10 The Edge, Clowes Street, Manchester, M3 5NB	Joint Liquidators:	Primary office holder: Keith Algie RSM Restructuring Advisory LLP 9th Floor, 3 Hardman Street, Manchester, M3 3HF 0161 830 4008 IP Number: 14090	Joint office holder: Lindsey J Cooper RSM Restructuring Advisory LLP 9th Floor, 3 Hardman Street, Manchester, M3 3HF 0161 830 4000 IP Number: 008931
Principal activity:	Other Business Activities			
Registered office:	RSM Restructuring Advisory LLP 9th Floor 3 Hardman Street Manchester M3 3HF			
Previous company names:	None			
Directors:	Mr Paul Bell			
Secretary:	Mr Paul Bell			

B. RECEIPTS AND PAYMENTS SUMMARY

Rednet Associates Limited
In Liquidation
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 12/08/2020 To 02/06/2021 £	From 12/08/2010 To 02/06/2021 £
	ASSET REALISATIONS		
	Deposit on Inland Revenue Petition	NIL	1,000.00
809.43	Other Current Assets	NIL	809.43
		NIL	1,809.43
	COST OF REALISATIONS		
	ISA Quarterly Charges	66.00	914.00
	Official Receivers Debit Balance	NIL	2,235.00
		(66.00)	(3,149.00)
	UNSECURED CREDITORS		
(11,858.16)	Unsecured Creditor Control	NIL	NIL
		NIL	NIL
(11,048.73)		(66.00)	(1,339.57)
	REPRESENTED BY		
	ISA NIB		(1,339.57)
			(1,339.57)

C. POST-APPOINTMENT TIME ANALYSIS

Joint Liquidators' post appointment time cost analysis for the period 12 August 2020 to 03 June 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.

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
From Aug 2020	Statutory Requirements									
	Creditors/shareholders decisions, meetings & reports	0.0	1.2	0.6	2.7	0.7	0.0	5.2	£ 1,475.50	283.75
	Taxation	0.0	0.1	0.0	0.1	0.0	0.1	0.3	£ 91.50	305.00
	Total	0.0	1.3	0.6	2.8	0.7	0.1	5.5	£ 1,567.00	284.91
	Investigations									
	DTI/DBEIS/Official Receiver	0.0	0.0	0.0	0.1	0.0	0.0	0.1	£ 24.50	245.00
	Total	0.0	0.0	0.0	0.1	0.0	0.0	0.1	£ 24.50	245.00
	Administration and Planning									
	Case Management	0.2	1.9	2.8	2.1	1.7	0.0	8.7	£ 2,446.50	281.21
	Cashiering	0.0	0.6	0.0	0.0	0.0	1.7	2.3	£ 611.00	265.65
	Total	0.2	2.5	2.8	2.1	1.7	1.7	11.0	£ 3,057.50	277.95
Total Hours (From Aug 2020)		0.2	3.8	3.4	5.0	2.4	1.8	16.6	£ 4,649.00	280.06
Total Time Cost (From Aug 2020)		£ 105.00	£ 1,824.00	£ 833.00	£ 1,225.00	£ 320.00	£ 342.00	£ 4,649.00		
Total Hours		0.2	3.8	3.4	5.0	2.4	1.8	16.6	£ 4,649.00	280.06

Total Time Cost	£ 105.00	£ 1,824.00	£ 833.00	£ 1,225.00	£ 320.00	£ 342.00	£ 4,649.00
Average Rates	525.00	480.00	245.00	245.00	133.33	190.00	280.06

D. NOTICE THAT COMPANY'S AFFAIRS ARE FULLY WOUND UP

Rednet Associates Limited In Liquidation

Company No: 05892511

Lindsey J Cooper appointed as Joint Liquidator to the above Company on 12 August 2010

Keith Algie appointed as Joint Liquidator to the above Company on 15 October 2013

Date Notice delivered to the creditors on: 09 June 2021

Notice that Company's affairs are fully wound up under Rule 7.71 Insolvency (England and Wales) Rules 2016

Notice is hereby given to the creditors of the above named Company of the following matters:

- (a) The Company's affairs are fully wound up.
- (b) Creditors have the right under rule 18.9 Insolvency (England and Wales) Rules 2016 to make a written request to the liquidator for further information about remuneration or expenses set out in the final account.

If you wish to make a request for further information then it must be made in writing within 21 days of receipt of this report 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 or with the permission of the court.
- (c) Creditors have the right to challenge the Joint Liquidators' remuneration and expenses under rule 18.34 Insolvency (England and Wales) Rules 2016. 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 or expenses incurred by the Joint Liquidators is/are in all the circumstances excessive, or that the basis fixed for the Joint Liquidators' remuneration is inappropriate. Any such challenge must be made no later than eight weeks after receipt of the progress report or final account which first discloses the charging of remuneration or incurring of the expenses in question.
- (d) The Joint Liquidators will vacate office under section 172(8) of the Insolvency Act 1986 as soon as the Joint Liquidators have complied with section 146(4) of that Act by filing with the court and delivering to the Registrar of Companies the final account and statement required by section 146(4) of whether any creditors have objected to the Joint Liquidators' release.
- (e) The Joint Liquidators will be released under section 174(4) of the Insolvency Act 1986 at the same time as vacating office unless any of the creditors objected to the release.
- (f) Creditors may object to the release of the Joint Liquidators by giving notice in writing to the Joint Liquidators before the end of the later of (i) eight weeks after delivery of this notice; or (ii) the final determination of any request for information under rule 18.9 of the Insolvency (England and Wales) Rules 2016, or any application to the court under rule 18.34 of the Insolvency (England and Wales) Rules 2016.

Name, address & contact details of the Joint Liquidators

Primary Office Holder:

Keith Algie
RSM Restructuring Advisory LLP
9th Floor, 3 Hardman Street, Manchester, M3 3HF
Tel: 0161 830 4000
Email: restructuring.manchester@rsmuk.com
IP Number: 14090

Joint Office Holder:

Lindsey J Cooper
RSM Restructuring Advisory LLP
9th Floor, 3 Hardman Street, Manchester, M3 3HF
Tel: 0161 830 4000
Email: restructuring.manchester@rsmuk.com
IP Number: 008931

Dated: 09 June 2021



Keith Algie
RSM Restructuring Advisory LLP
Joint Liquidator