

LIQ14

Notice of final account prior to dissolution in CVL



Companies House

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

1 Company details

Company number 1 1 5 2 3 6 0 8

Company name in full SDI (Propco 44) Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Michael Vincent

Surname Lennon

3 Liquidator's address

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country

4 Liquidator's name ①

Full forename(s) Benjamin John

Surname Wiles

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number The Shard

Street 32 London Bridge Street

Post town London SE1 9SG

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ14

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6 Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

:

7 Final account

☒ I attach a copy of the final account.

8 Sign and date

Liquidator's signature

Signature

X

M. J. Mac -

X

Signature date

^d1

^d7

^m0

^m1

^y2

^y0

^y2

^y4

**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 **Craig Draper**

Company name **Kroll Advisory Ltd.**

Address **The Shard**

32 London Bridge Street

Post town **London SE1 9SG**

County/Region

Postcode

Country

DX

Telephone **+44 (0) 20 7089 4700**

**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



Final Account

22 November 2023

SDI (Propco 44) Limited (In Creditors' Voluntary Liquidation)

Joint Liquidators' Final Account to Creditors and Members

Kroll Advisory Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW

Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Appointment Date	26 January 2023 being the date of appointment of the Joint Liquidators
BEIS	Department for Business, Energy & Industrial Strategy
Category 1 Expenses	The Joint Liquidators' expenses, in dealing with the Liquidation, to persons providing the service to which the expense relates and who are not an associate of the Liquidator. These expenses can be paid without prior approval
Category 2 Expenses	The Joint Liquidators' expenses, in dealing with the Liquidation, to associates or where there is an element of shared costs. Such expenses require approval by creditors before payment
the Commencement (of Liquidation)	The date of the Members resolution to wind up is 26 January 2023
the Company	SDI (Propco 44) Limited (In Creditors' Voluntary Liquidation) (Company Number: 11523608)
CVL	Creditors' Voluntary Liquidation
the Directors	Adedotun Adegoke and Alastair Dick, the Directors of the Company
the Final Period / the Reporting Period	The period from 26 January 2023 to 22 November 2023
Guarantor	Sportsdirect.com Retail Limited
HMRC	HM Revenue and Customs
HOF	House of Fraser Limited, the holder of a fixed and floating charge over the Company's assets (CRN: 10686681)
the Joint Liquidators	Michael Lennon of Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester M2 1EW and Benjamin Wiles of Kroll Advisory Ltd., The Shard, 32 London Bridge Street, London SE1 9SG Contact name: Craig Draper Office Telephone: 0121 214 1120 or Email: Craig.Draper@kroll.com
Kroll	Kroll Advisory Ltd., The Chancery, 58 Spring Gardens, Manchester M2 1EW

Word or Phrase	Definition
Preferential Creditor/s	A creditor with a claim that ranks in priority to other unsecured creditors, to floating charge holders and the prescribed part. Preferential debts are either 'ordinary', such as certain employee claims, or 'secondary', such as HMRC's claims for VAT and PAYE income tax, which will rank for payment after the ordinary preferential claims are paid in full
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of a company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Previous Report	The Directors Report to Creditors dated 17 January 2023
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Secured Creditor / HOF	House of Fraser Limited, the holder of a fixed and floating charge over the Company's assets (CRN: 10686681)
the Shareholder	SDI Property Limited (Company Number 02767493), the 100% shareholder of the Company
SIP 9	Statement of Insolvency Practice 9 – Industry Best Practice for Insolvency Practitioners in relation to disclosure of remuneration and expenses
SOA	Statement of Affairs, documentation supplied by the Directors outlining the Company's financial position as at the commencement of the Liquidation
VAT	Value Added Tax
Website	https://micro.kroll.com/ukrestructuring

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9. Conclusion

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1. Joint Liquidators' Receipts and Payments Account
2. Analysis of Expenses Incurred
3. Analysis of Time Charged
4. Statement of Creditors' Rights

1. Introduction

The purpose of this report is to detail the Joint Liquidators' acts and dealings together with the conduct of the Joint Liquidators during the whole Liquidation, including the Reporting Period.

The Company's affairs are now concluded, and this is the Joint Liquidators' account of the winding up, showing how the Liquidation has been conducted and with an update on the outcome for each class of creditor and the realisation of assets achieved, if any, with particular reference to the Final Period.

The Appendices attached form part of the Final Account and should be read as a whole.

2. Background

The Company was incorporated on 17 August 2018, under the company registration number: 11523608..

The principal activity of the Company was that of a property holding company which held a lease of a HOF store in Huddersfield.

Given the nature of trade, the Company did not generate any direct revenue and as such relied on the support of HOF to cover any liabilities incurred in respect of the lease by way of a loan from HOF.

Due to national restrictions imposed as a result of the coronavirus pandemic and the consequences on the performance of the retail sector, it was concluded that HOF could no longer continue to support the Company in its current form going forward.

Given the above, the Company would not have sufficient funds available to settle its liabilities as and when they fell due, as such various insolvency options were considered by the Directors, resulting in the subsequent Liquidation.

For further details regarding the background of the Company and the events leading up to the Joint Liquidators' appointment, please refer to the Directors' Report available on the Website, a copy of which can be provided on request.

3. Progress of the Liquidation

The manner in which the affairs and business of the Company have been managed and financed during the Liquidation are set out in the remainder of this report.

Cash at Bank

According to the Directors' Report, the Company had cash at bank totalling £67. Following their appointment, the Joint Liquidators contacted the bank to request these funds to be transferred for the benefit of the Liquidation. As no funds were received from the bank, the Joint Liquidators pursued the bank by telephone on two occasions and further issued two letters by post.

No funds have been received from this source and the Joint Liquidators deemed it uneconomical to pursue the balance further.

Other Assets

As per the SOA, the Joint Liquidators were not aware of any other assets held by the Company as at the Appointment Date.

Statutory and Compliance matters

A Liquidator is highly regulated, being required to conform to insolvency legislation, Industry Best Practice policies (Statement of Insolvency Practice) and relevant case law. Consequently, Liquidators are obliged to undertake many activities that do not provide a financial benefit to creditors.

Certain work has been performed solely to comply with statutory and compliance requirements. Whilst many of these tasks do not have a direct benefit in enhancing realisations, they assist in the efficient compliant progress of the Liquidation, ensuring that work is carried out to a high professional standard.

Such matters in the Final Period cover anti-money laundering checks, Bribery Act and ethical considerations and checks, statutory advertising, case reviews, regular reporting to creditors, obtaining and securing Company books and records, pension scheme checks, Companies House filing, various treasury functions as well as general case management.

Regular reviews and planning add value in terms of time taken to carry out activities and ensure a coherent planned process which was particularly useful in dealing with the review of the book debts and timely progression of the Liquidation.

There are no other known matters or assets to be dealt with.

4. Investigations

The Joint Liquidators have complied with their statutory obligation to file a confidential report with BEIS regarding the conduct of all Directors of the Company who held office in the three years prior to the Appointment Date.

The Joint Liquidators have now concluded their investigations and are of the opinion that all avenues of restitution have been explored and there are no outstanding lines of enquiry.

5. Liabilities and Dividends

Claims

Secured Creditor

According to Companies House, the Company granted HOF a debenture, which confers fixed and floating charges over all assets of the Company, created 22 October 2018 and delivered 24 October 2018.

As at the Appointment Date, the Company's indebtedness to HOF was approximately £61,255 subject to accruing interest and charges as applicable.

Due to there being no realisable assets in the Company, there have been insufficient realisations to enable a distribution to HOF.

Primary Preferential Creditors

As at the Appointment Date, the Company did not employ any staff and therefore no primary Preferential Claims have been received against the Company.

Secondary Preferential Creditors

According to the SOA, the Company has no outstanding sums due to HMRC in respect of Secondary Preferential Creditors.

No claim from HMRC has been received during the Reporting Period.

Prescribed Part

As noted above, the Company granted HOF a debenture, which confers fixed and floating charges over all assets of the Company and as such the prescribed part provision would apply. However, due to there being no realisable assets in the Company, the Prescribed part will not apply in this instance.

Unsecured Creditors

According to the Directors Report, the Company had unsecured creditors totalling £150,271.

The Joint Liquidators have received claims totalling £150,271 during the Reporting Period. However, due to the level of asset realisations in the Company, no distributions have been made to any class of creditor.

Dividends

There will be no distributions to any class of creditor since there have been no realisations in the Liquidation.

6. Costs and Expenses

Joint Liquidators' remuneration

The Joint Liquidators did not seek approval of their fee basis or estimate relating to the Joint Liquidators' post-appointment remuneration during the Final Period, as no asset realisations were achieved to enable fees to be drawn in respect of the time incurred.

Pre-appointment remuneration

The Joint Liquidators' pre-appointment remuneration was approved by the Directors upon returning the signed engagement letter on 4 October 2022, which were agreed to be paid directly by the Guarantor.

Pre-appointment remuneration of £10,000 plus VAT and Category 1 Expenses of £238 have been paid to Kroll in respect of any reasonable and necessary expenses of preparing the SOA and the deemed consent procedure to seek a decision from the creditors on the nomination of a Liquidator.

Post-appointment remuneration

The Joint Liquidators' have not sought to obtain fee approval from creditors as there are insufficient asset realisations to enable a fee to be drawn.

The time costs incurred in the Final Period are detailed at Appendix 3. Time has been charged in six-minute units.

The time costs incurred in the Final Period total £8,346 representing 31 hours at an average hourly charge out rate of £266.

In accordance with SIP 9, the Joint Liquidators provide further commentary below in respect of areas where significant time has been incurred in the Final Period:

- Time costs of £6,572 have been incurred in respect of Administration and Planning of the Liquidation. Time spent in this regard relates to the Joint Liquidators' initial correspondence with Creditors; completion of the appointment documents; regular case reviews and ongoing strategy planning and liaising with HMRC regarding the tax position.
- Time costs of £1,435 have been incurred in respect of Investigations. Time spent in this regard relates to: Reviewing the books and records; analysing the bank statements; and compliance with the Joint Liquidators' statutory obligations, including the submission of a report on the Directors' conduct in the three years prior to the Appointment Date.

To date, the Joint Liquidators have incurred costs of £8,346 in bringing the Liquidation to a formal conclusion.

It is anticipated that a further £1,500 of time costs will be incurred in this regard. However, no further invoices will be raised by the Joint Liquidators.

Expenses

Expenses are any payments from the Liquidation which are neither a Liquidator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are payments which are first met by the Liquidator and then reimbursed to the Liquidator from the Liquidation.

Expenses are divided into those that do not need approval before they are charged to the Liquidation (Category 1) and those that do (Category 2).

Category 1 Expenses are payments to persons providing the service to which the expense relates who are not an associate of the Liquidator.

Category 2 Expenses are payments to associates or which have an element of shared costs and require approval from creditors in the same manner as the Liquidator's remuneration, whether paid directly from the estate or as a disbursement.

Appendix 2 details the expenses incurred and paid for during the Final Period.

In the Reporting Period, Category 1 Expenses of £238 were incurred but were paid in full by the Guarantor as per the signed engagement letter dated 4 October 2022.

No Category 2 Expenses were incurred or paid during the Liquidation.

7. Joint Liquidators Receipts and Payments Account

A detailed Receipts and Payments Account for the whole of the Liquidation is shown at Appendix 1.

As at the end of the Final Period, there is a nil balance in the Liquidation estate.

8. Statement of Creditors' Rights

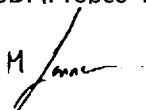
Further information regarding Creditors' rights in objecting to the Liquidators' release and obtaining further information or challenging the Joint Liquidator's fees is attached at Appendix 4.

9. Conclusion

The Joint Liquidators have completed their administration of this Liquidation and no further reports will be issued. The Joint Liquidators' vacation of office and release from liability will follow. It is expected that the Company will proceed to dissolution within the next six months.

In the meantime, if you require any further information, please contact Craig Draper of this office.

Yours faithfully
For and on behalf of
SDI (Propco 44) Limited



Michael Lennon
Joint Liquidator

Appendix 1 - Joint Liquidators' Receipts and Payments Account

SDI (Propco 44) Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 22/11/2023

S of A £	£	£
<hr/>		<hr/>
		NIL
		<hr/>
REPRESENTED BY		
		<hr/>
		NIL
		<hr/>

Michael Vincent Lennon
Joint Liquidator

Appendix 2 - Analysis of Expenses Incurred

Joint Liquidators' Expenses: comparison with estimate

Expenses	Original expenses estimate £	Actual expenses incurred in the Reporting Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Courts Advertising	Nil	218.16	218.16	
Bonding	Nil	20.00	20.00	
TOTAL	Nil	238.16	238.16	

Notes

The above costs exclude VAT.

Joint Liquidators' Expenses: Category 1 and Category 2

Category 1 Expenses			Reporting Period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)
Courts Advertising Limited	Advertising	Fixed fee	218.16	218.16
AON UK Limited	Statutory bond premium	Fixed fee	20.00	20.00
Total			238.16	238.16

Notes

The above costs exclude VAT.

The Joint Liquidators' choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.

It is considered that these expenses are fair and reasonable and proportionate to the Liquidation.

The above Category 1 Expenses were paid by the Guarantor, as agreed in a signed engagement letter dated 4 October 2022.

No Category 2 Expenses were incurred during the Reporting Period.

Appendix 3 - Analysis of Time Charged

SDI (PROPCO 44) LIMITED (In Liquidation)

Analysis of the Joint Liquidators' time costs for the Reporting Period

Classification of Work Function	Hours				Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant			
Administration & Planning							
Case Review & Case Diary Management	0.00	1.80	0.00	6.05	7.85	2,188.50	278.79
Cashiering & Accounting	0.00	0.30	0.00	2.10	2.40	644.50	268.54
Dealings W/ Directors & Management (Inc Associated Updates/Reporting)	0.00	0.00	0.00	0.20	0.20	44.00	220.00
Ips Set Up & Maintenance	0.00	0.00	0.00	0.10	0.10	32.00	320.00
Statutory Matters (Meetings & Reports & Notices)	0.00	0.90	0.00	4.90	5.80	1,690.00	291.38
Strategy Planning & Control (Incl Engagement Financial Control)	0.00	0.70	0.00	4.50	5.20	1,562.50	300.48
Tax Compliance / Planning	0.00	0.00	0.00	2.20	2.20	410.21	186.46
Creditors							
Dealings With Creditors And Employees	0.00	0.00	0.00	1.50	1.50	277.50	185.00
Investigations							
Cdda & Reports & Communication	0.00	0.00	0.00	5.85	5.85	1,434.50	245.21
Realisation of Assets							
Freehold And Leasehold Property	0.00	0.00	0.00	0.25	0.25	62.50	250.00
Total Hours	0.00	3.70	0.00	27.65	31.35		266.23
Total Fees Claimed (£)	0.00	1,889.00	0.00	6,457.21		8,346.21	

Appendix 4 - Statement of Creditors' Rights

Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)

Section numbers refer to Insolvency Act 1986

If you require a copy of any relevant rule or section, please contact Craig Draper at Craig.Draper@kroll.com

Notice is given that it appears to the Joint Liquidators that the Company's affairs are fully wound up. Below is a summary of certain rights of Creditors with an explanation of the timing of the Liquidators' release and vacation of office.

This notice is accompanied by a Final Account of the Joint Liquidators, showing how the Liquidation has been conducted and how the Company's property has been disposed.

Information for creditors on remuneration and expenses of liquidators

Information regarding the fees and expenses of Liquidators, including details of the Kroll' expenses policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "Liquidation: A Guide for Creditors on Insolvency Practitioner Fees". This can be viewed and downloaded from the Joint Liquidators' website at:

<https://www.kroll.com/en-gb/services/restructuring-advisory/creditor-guides-and-employee-fact-sheets>

(click on 'Liquidations'). Should you require a copy, please contact this office.

Creditors have the right to request information from the Liquidator under rule 18.9

A secured Creditor, an unsecured Creditor with the concurrence of at least 5% in value of the unsecured Creditors (including the Creditor in question) or any unsecured Creditor with the permission of the Court may make a written request to the Liquidator for further information concerning remuneration or expenses. Such a request must be made within 21 days of receipt of this Final Account and a response will be provided within 14 days of receipt of the request.

Creditors have recourse to Court, application to be made within 21 days of the Joint Liquidator giving reasons for not providing all the information requested or the expiry of the 14 days within which a Joint Liquidator must respond to a request.

Creditors have the right to challenge the Liquidator's remuneration and expenses under rule 18.34

A secured Creditor, an unsecured Creditor with the concurrence of at least 10% in value of the unsecured Creditors (including that Creditor) or any unsecured Creditor with the permission of the Court, may make an application to Court on the grounds that the remuneration charged, or expenses incurred are excessive and/or that the basis fixed for the Joint Liquidators' remuneration is inappropriate. The application to court must be made no later than eight weeks after receipt of the report or account which first reports the charging of the remuneration or the incurring of expenses in question.

Creditors may object to the Liquidator's release (rule 6.28(2)(d) and (e))

Where the Joint Liquidators have their release, they are discharged from all liability both in respect of acts or omissions of theirs in the winding up and otherwise in relation to their conduct as Liquidator.

Objection to the Joint Liquidators' release must be given in writing to the Joint Liquidator before the end of the later of eight weeks after receipt of this Final Account or any final determination concerning the challenge of the Joint Liquidators' remuneration and expenses and request for information as detailed above.

Vacation of office as Liquidator (section 171 Insolvency Act 1986)

The Joint Liquidators will vacate office on delivering to the Registrar of Companies the Final Account and notice saying whether any Creditor has objected to their release.

The Liquidator will be released at the same time as vacating office unless any of the Company's Creditors objected to the Liquidator's release (section 173 Insolvency Act 1986)

Therefore, if there are no objections to the Joint Liquidators' release or requests for further information, the Joint Liquidators will vacate office and be released no less than 8 weeks from the date of this final report.