

WU15 (Scot)

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
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1 Company details

Company number S C 0 1 5 3 8 2

Company name in full Johnston Press Plc

→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Alastair Paul

Surname Beveridge

3 Liquidator's address

Building name/number AlixPartners, 6

Street New Street Square

Post town London

County/Region

Postcode E C 4 A 3 B F

Country United Kingdom

4 Liquidator's name

Full forename(s) Catherine Mary

Surname Williamson

❶ **Other liquidator**
Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number AlixPartners, Ship Canal House, 8th Floor

Street 98 King Street

Post town Manchester

County/Region

Postcode M 2 4 W U

Country United Kingdom

❷ **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

^d0 ^d9 ^m0 ^m3 ^y2 ^y0 ^y2 ^y3

8

Final account

☒ The final account is attached

9

Sign and date

Liquidator's signature

Signature

X 

X

Signature date

^d1 ^d1 ^m0 ^m4 ^y2 ^y0 ^y2 ^y3

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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 Paul Butterfield

Company name AlixPartners

Address Ship Canal House, 8th Floor

98 King Street

Post town Manchester

County/Region

Postcode M 2 4 W U

Country United Kingdom

DX

Telephone 0161 838 4500



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,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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Liquidators' Final Account for the period 19 May 2022 to 9 March 2023

Johnston Press Plc
In Liquidation

9 March 2023

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AlixPartners
Ship Canal House
8th Floor
98 King Street
Manchester M2 4WU

t: +44 (0) 161 838 4500 f: +44 (0) 161 838 4501

1. Why this report has been prepared

- 1.1 Following the presentation of a petition to the Court of Session (the **Court**) for the restoration and winding up of the Company, Alastair Beveridge and Catherine Williamson of AlixPartners UK LLP (**AlixPartners**) were appointed Interim Liquidators with effect from 19 May 2021.
- 1.2 Alastair Beveridge and Catherine Williamson (the **Liquidators**) were subsequently appointed as Liquidators with effect from 12 July 2021 by a decision of the Company's creditors.
- 1.3 In accordance with UK insolvency legislation, when a liquidation has been concluded, the liquidator must prepare a Final Account of the liquidation which should be made available to creditors at least 28 days prior to the liquidator ceasing to act. This Final Account covers the period 19 May 2022 to 9 March 2023 (the **Period**) and should be read in conjunction with the Interim Liquidators' Initial Report dated 14 June 2021 (the **Initial Report**) and the Liquidators' Progress Report dated 27 June 2022 (the **Progress Report**).
- 1.4 This report has been prepared in accordance with rule 5.33 of the Insolvency (Scotland) (Receivership and Winding up) Rules 2018 (the **Rules**).
- 1.5 All matters in the Liquidation have been finalised and the purpose of this report is to provide a final update on the progress of the Liquidation, including details of steps taken during the Period, details regarding the Liquidators' fees and the outcome for each class of creditor.
- 1.6 Details of the Liquidators' fees and expenses incurred are provided at Appendices C to E.
- 1.7 More information relating to the Liquidation process, Liquidators' fees and creditors' rights can be found on AlixPartners' creditor portal (<https://www.alixpartnersinfoportal.com>).
- 1.8 If you require a hard copy of this report or have any queries in relation to its contents, or the Liquidation generally, please contact Paul Butterfield on +44 (0) 161 838 4500 or by email at creditorreports@alixpartners.com.

2. Summary of information for creditors

Dividend distributions

Description	Agreed debt £	Level of return £
Secured creditor	60,153,628	84,783
Unsecured creditors	361,675,602	18,953

Notes:

The agreed debts of the unsecured creditors were adjudicated after accounting for the dividends issued in the preceding Administrations of both the Company and additional entities within the wider Johnston Group (the **Group**).

Secured creditor

Prior to the Group's Administrations, Johnston Press Bond Plc issued approximately £220 million of senior secured notes (the **Bonds**). The Group granted standard security and floating charges in favour of GLAS Trust Corporation Limited (**GLAS**) in its capacity as security agent to the holders of the Bonds. The outstanding debt as at the date of the Liquidation was agreed at £60,153,628, and a first and final distribution of £84,783 was issued to GLAS on 20 February 2023.

Preferential creditors

There are no known preferential creditors.

Unsecured creditors

The agreed unsecured creditor claims totalled £361,675,602 and the funds distributed totalled £18,953, representing a dividend rate of less than one pence in the pound. The dividend was declared and paid on 20 February 2023 and the distribution was made by virtue of section 176A of the Insolvency Act 1986 (the **Act**).

General

In respect of unsecured creditors, UK insolvency legislation stipulates that creditors of the same class should be treated equally. Hence, the funds available for distribution were split on a pro-rata basis amongst all creditors of this class, regardless of the size of their claims.

Further information is provided in section 4 of this report.

3. Progress of the Liquidation

- 3.1 The Liquidation has been completed, all realisable assets have been realised and the proceeds distributed in accordance with the Act. Attached at Appendix B is the Liquidators' Receipts and Payments Account for the Period, together with a Cumulative Account for the period since appointment.

Court application and insurance refund

- 3.2 As detailed in the Progress Report, the Liquidators completed the formal adjudication process in respect of all of the Company's proven creditors in April 2022. Prior to issuing dividends to the Company's secured and unsecured creditors, the Liquidators were required to obtain Court approval in respect of their proposed fees and outlays. The application was lodged on 16 May 2022 and subsequently approved on 28 September 2022 following completion of the Court's prescribed process.
- 3.3 Following receipt of the Court's approval, the Liquidators took steps to finalise all outstanding matters in the Liquidation, including settling all outstanding costs, preparing to issue first and final distributions to the Company's secured and unsecured creditors, filing tax returns for the duration of the Liquidation and preparing this Final Account.
- 3.4 Prior to payment of the dividends to the secured and unsecured creditors, in December 2022 the Company's pre-appointment insurer advised that a refund totalling £26,426 was available in relation to premiums paid during 2015 and 2016. As these funds would enable greater returns to creditors, the Liquidators postponed payment of the dividends until the refund was paid into the Liquidation. The refund was received on 2 February 2023 following completion of the insurer's bank verification process and first and final dividends to the secured and unsecured creditors were subsequently issued on 20 February 2023.

Administration (including statutory reporting)

- 3.5 In addition to their duties relating to realising and distributing the assets of the Company, the Liquidators have complied with certain statutory compliance matters in accordance with the Act, including the preparation of this Final Account to creditors advising of the completion of the Liquidation. The Liquidators also liaised with HM Revenue & Customs to determine the final position in respect of corporation tax and VAT, and filed tax returns for the duration of the Liquidation.
- 3.6 In order to ensure the matters of the Liquidation were progressed sufficiently, the Liquidators had a duty to conduct periodic case reviews and complete case checklists. In addition, the Liquidators' treasury function also complied with cash accounting requirements including raising payments, processing journal vouchers and posting receipts, preparing bank reconciliations and statutory returns.
- 3.7 The time taken for statutory tasks is largely fixed, insofar as the cost of preparing a report to creditors or filing an annual return is similar for most cases, except where cases are very large or complex. Where the costs of statutory compliance and reporting to creditors exceeds the initial estimate, it will generally be because the duration of the case has been longer than expected, due to, for example,

protracted realisation of assets, meaning additional periodic reports have had to be prepared and distributed to stakeholders.

Creditors (claims and distribution)

3.8 Details of the outcome for creditors can be found in section 4.

4. Outcome for creditors

Secured creditor – GLAS Corporation Trust Limited

- 4.1 The Group granted standard security and floating charges in favour of GLAS in its capacity as security agent to the holders of the Bonds. At the commencement of the Liquidation GLAS was owed £60,153,628.
- 4.2 A first and final distribution of £84,783 was paid to GLAS on 20 February 2023. GLAS also received distributions from the preceding Administrations of the Company and wider Group.

Preferential creditors

- 4.3 There are no known preferential creditors.

Unsecured Creditors' Fund

- 4.4 Pursuant to section 176A of the Act, where there is a floating charge which was created on or after 15 September 2003, the Liquidators are required to create a fund from the Company's net property for the benefit of unsecured creditors (**Unsecured Creditors' Fund**), commonly known as the 'Prescribed Part'.
- 4.5 As the Company granted floating charges in favour of GLAS after 15 September 2003, the Liquidators were required to create an Unsecured Creditors' Fund. The value of the Company's net property was £109,729 arising from which was an Unsecured Creditors' Fund of £18,953 after accounting for the costs of agreeing claims and issuing the distribution. The value of agreed unsecured claims totalled £361,675,602, resulting in a dividend rate of less than one pence in the pound.

Unclaimed dividends

- 4.6 All cheques paid to unsecured creditors should be banked as soon as possible, and in any event within six months of the date of the cheque. Any cheques which have not been cleared within six months of the date of the cheque will be cancelled and the proceeds will be consigned to the Accountant of Court (**AoC**).
- 4.7 If your cheque is cancelled on or after this date, please allow ten working days to pass before submitting a claim to the AoC. To make a claim, creditors should contact the AoC via email at funds@scotcourts.gov.uk and put "Johnston Press Plc" as the subject. Alternatively, the AoC can be contacted via post at Funds Administration Team, Hadrian House, Callendar Business Park, Callendar Road, Falkirk, FK1 1XR.
- 4.8 The transfer of responsibility to the AoC is a routine step which requires liquidators of an insolvent company to transfer unclaimed dividends six months after the cheques were issued.
- 4.9 The Liquidators have accrued the sum of £36 for bank charges associated with cheque processing and cancellation fees relating to any unbanked dividend cheques. In the event that these charges have not been incurred by the time any

unclaimed dividends are remitted to the AoC, the balance of the accrued charges will be paid to the King's and Lord Treasurer's Remembrancer.

5. What happens next

Completion of the Liquidation

- 5.1 The Liquidation assets have been realised and the Receipts and Payments Accounts at Appendix B represent the final position in terms of realisations achieved and payments discharged during the course of the Liquidation. The Company's affairs have been fully wound up and this Final Account concludes the Liquidation.

Creditors' rights

- 5.2 In accordance with rule 5.33 of the Rules, a creditor may object to the Liquidators' release by giving notice in writing to the Liquidators before the period ending 28 days after delivery of the notice accompanying this Final Account.

Vacation of office

- 5.3 The Liquidators will issue copies of this Final Account to the Court, the Registrar of Companies, the Accountant in Bankruptcy and the AoC confirming whether any creditors have objected to their release, upon delivery of which the Liquidators will vacate office. The Liquidators will be released from office at the same time, unless any creditors have objected, in which case an application will be made to the AoC for their release.

Yours faithfully



Catherine Williamson
Liquidator

Encs

Appendix A. Statutory information

Company information

Company name	Johnston Press Plc
Registered number	SC015382
Registered office	272 Bath Street, Glasgow, G2 4JR
Former registered office	Orchard Brae House, 30 Queensferry Road, Edinburgh, EH4 2HS
Court details	Court of Session, Parliament House, 11 Parliament Square, Edinburgh, EH1 1RQ
Court reference	P206/21

Appointor's information

Name	Address	Position
Ashurst LLP	London Fruit and Wool Exchange, 1 Duval Square, London, E1 6PW	Petitioning creditor

Liquidators' information

Name	Address	IP number	Name of authorising body
Alastair Paul Beveridge	AlixPartners, 6 New Street Square, London, EC4A 3BF	8991	Insolvency Practitioners Association
Catherine Mary Williamson	AlixPartners, Ship Canal House, 8 th Floor, 98 King Street, Manchester, M2 4WU	15570	Insolvency Practitioners Association

In accordance with section 231 of the Act, the Court declared that all functions of the Liquidators are to be exercised by either one or both of them. All references to the Liquidators should be read as the Joint Liquidators.

Appendix B. Receipts and Payments Account for the period 19 May 2022 to 9 March 2023

	Period £	Cumulative £
Floating charge assets		
Receipts		
Client account funds	-	167,485
Pre-appointment insurance refund	26,426	26,426
Cost contribution refund	-	3,088
	26,426	196,999
Payments		
Restoration costs:		
Legal fees	-	5,000
Legal expenses	-	587
Liquidation legal fees	6,027	9,598
Liquidation legal expenses	625	625
Liquidators' fees:		
General	63,990	63,990
Prescribed Part	5,993	5,993
Court Reporter's fee	3,800	3,800
Court Auditor's fee	3,501	3,501
Statutory advertising	-	100
Accountant of Court filing fee	36	36
Storage costs	33	33
	(84,005)	(93,263)
Distributions		
Floating chargeholder	84,783	84,783
Unsecured creditors - Less than 1p/£, 20/02/2023	18,953	18,953
	(103,736)	(103,736)
Total balance	(161,315)	-

Notes:

Statement of Insolvency Practice 7 (Scotland) states that the headings used in Receipts and Payments Accounts should follow those used in any prior Statement of Affairs (**SoA**) or Estimated Outcome Statement.

The SoA prepared in the preceding Administration is not relevant as it does not account for the Liquidation assets, and a Liquidation SoA has not been requested as the Company was dissolved following the Administration. As a result, no comparisons to the SoA by category can be made.

Appendix C. Liquidators' fees

A copy of the R3 creditors' guide on Insolvency Practitioners fees in Liquidations can be downloaded from AlixPartners' creditor portal

(<https://www.alixpartnersinfoportal.com>). If you would prefer this to be sent to you in hard copy please contact the Liquidators and they will forward a copy to you.

In accordance with rule 7.11(8) of the Rules, the basis of the Liquidators' fees was approved by a decision procedure of creditors as being by reference to the time properly spent by the Liquidators and their staff on matters arising in the Liquidation.

In accordance with rule 7.11(2) of the Rules, in the absence of a creditors' committee, the quantum of the Liquidators' fees was subject to the determination of the Court. As detailed in section 3, the Liquidators' application was submitted on 16 May 2022 and subsequently approved on 28 September 2022. In accordance with that approval, fees totalling £69,983 have been drawn against floating charge realisations, which includes a Prescribed Part fee of £5,993.

Liquidators' details of time spent to date

The Liquidators' time costs for the Period total £21,633. This represents 52 hours at an average rate of £413 per hour. Detailed below is a Time Analysis for the Period which provides details of the costs incurred by area of activity.

	Employee grade (hours)				Hours incurred	Average rate per hour £	Time cost for the Period £
	Partner and Managing director/Partner/Director	Senior vice president	Vice president/Consultant	Treasury/Support			
Administration (including statutory reporting)							
Statutory duties	0.3	-	6.5	0.1	6.9	392	2,703.50
Administration and planning	1.2	1.3	2.1	2.9	7.5	467	3,501.00
Reporting to creditors	1.0	0.9	9.4	-	11.3	420	4,746.00
Creditors' committee	-	-	-	0.2	0.2	190	38.00
Secured creditors	-	-	0.2	-	0.2	435	87.00
Unsecured creditors	-	1.1	2.3	-	3.4	429	1,457.00
Shareholders and other stakeholders	-	-	0.9	-	0.9	398	358.50
					30.4	424	12,891.00
Realisation of assets							
Floating charge	0.4	-	3.8	4.1	8.3	348	2,885.00
					8.3	348	2,885.00
Creditors (claims and distribution)							
Secured creditors	-	-	-	0.3	0.3	395	118.50
Unsecured creditors	1.0	-	10.9	1.5	13.4	428	5,738.50
					13.7	428	5,857.00
Total	3.9	3.3	36.1	9.1	52.40	413	21,633.00

A Cumulative Time Analysis from the date of the Liquidators' appointment to the end of the Period is set out below.

	Employee grade (hours)				Hours incurred	Average rate per hour £	Time cost for the Period £
	Partner and Managing director/Partner/Director	Senior vice president	Vice president/Consultant	Treasury/Support			
Administration (including statutory reporting)							
Statutory duties	2.5	0.7	28.5	1.1	32.8	402	13,188.00
Administration and planning	3.5	11.1	30.3	7.0	51.9	417	21,620.50
Reporting to creditors	2.8	8.3	48.1	-	59.2	421	24,905.50
Creditors' committee	-	-	-	0.2	0.2	190	38.00
Secured creditors	-	-	0.8	-	0.8	405	324.00
Employees	-	-	0.7	-	0.7	375	262.50
Unsecured creditors	0.3	6.8	16.0	-	23.1	426	9,849.50
Shareholders and other stakeholders	-	-	1.5	-	1.5	390	585.50
					170.2	416	70,773.50
Realisation of assets							
Floating charge	1.2	-	11.2	12.6	25.0	320	8,003.00
					25.0	320	8,003.00
Investigations							
Director conduct reports	-	-	2.2	-	2.2	334	734.00
					2.2	334	734.00
Creditors (claims and distribution)							
Secured creditors	-	-	0.3	0.3	0.6	395	237.00
Unsecured creditors	1.0	9.7	24.0	1.5	36.2	430	15,581.00
					36.8	430	15,818.00
Total	11.3	36.6	163.6	22.7	234.20	407	95,328.50

Details of the work completed during the course of the Liquidation, together with an explanation of why the work was undertaken, are set out in section 3 of this final account in addition to the Initial Report and Progress Report.

The principal areas of activity during the Period are discussed in further detail below.

Administration

Time has been spent monitoring the case strategy, which included the preparation of an updated case strategy file note together with periodic internal discussions for the duration of the Period to discuss and progress the Liquidation. The Liquidators have also regularly engaged with their legal advisors and sought advice in relation to a number of matters, including asset recovery considerations, the requirements for the Liquidators' fee application to Court, the contents of their statutory notices and reports as well as the general fulfilment of their duties.

The time spent attending to periodic duties such as the completion of case reviews, the time incurred managing the Insolvency Practitioners System (**IPS**) and associated case diary prompts, together with obtaining the appropriate specific penalty bond is also recorded here.

The Liquidators have also incurred time preparing the required documentation in support of their remuneration application to Court, including the Time and Trouble Report and the scheme of division. The time spent preparing the Progress Report and this Final Account is also recorded here.

Treasury function time incurred in posting bank statements to IPS and cash accounting, including the raising of payments, posting of receipts, the preparation of journals and statutory returns is also recorded under this category.

Realisation of assets

Time was incurred corresponding with the relevant parties in respect of the costs contribution and pre-appointment insurance refunds, considering the position and obtaining the appropriate legal advice. Treasury function time associated with asset realisations and costs is recorded here, as is the time spent considering insurance requirements and corresponding with the insurer in that regard.

Creditors

The Liquidators have responded to all creditor correspondence, telephone calls and email queries upon receipt. Time has also been incurred providing periodic updates to the secured creditor in relation to case progress and the anticipated returns to each class of creditor.

The Liquidators have spent time formulating a claims agreement strategy, which included the consideration of the claims agreement work and dividend completed in the preceding Administration. The Liquidators have also incurred time inviting all creditors to submit claims, completing a formal claims adjudication process, issuing written confirmation of the same and calculating the dividends. The time associated with processing and documenting the secured and unsecured dividends is also recorded under this category.

Appendix D. Expenses of the Liquidation

In accordance with Statement of Insolvency Practice 9 (Scotland), expenses are any payments from the estate which are neither a liquidator's fees nor a distribution to a creditor or member. Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

Category 1 expenses are payments to persons providing a service who are not an associate of the liquidator. Category 1 expenses may include external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel, external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by the Liquidators and their staff.

Category 1 expenses incurred by third parties

An analysis of the actual costs paid to third parties during the course of the Liquidation is provided below.

	Paid in previous reporting period £	Paid in the Period £	Total cost £
Restoration costs:			
Legal fees	5,000	Nil	5,000
Legal expenses	587	Nil	587
Liquidation legal fees	3,571	6,027	9,598
Liquidation legal expenses	Nil	625	625
Court Reporter's fee	Nil	3,800	3,800
Court Auditor's fee	Nil	3,501	3,501
Accountant of Court filing fee	Nil	36	36
Total	9,158	13,989	23,147

Category 1 expenses incurred by the Liquidators

An analysis of the incidental expenses incurred by the Liquidators during the course of the Liquidation is provided below.

	Total cost £
Statutory advertising	100
Storage costs	33
Total	133

Category 2 expenses

Category 2 expenses are payments to associates of a liquidator which (in this case) would have consisted of business mileage for staff travel charged at the rate of 45 pence per mile. However, the Liquidators did not seek approval for any category 2 expenses.

Appendix E. Additional information in relation to the Liquidators' fees pursuant to Statement of Insolvency Practice 9 (Scotland)

Policy

Detailed below is AlixPartners' policy in relation to:

- staff allocation and the use of sub-contractors; and
- professional advisors.

Staff allocation and the use of sub-contractors

The Liquidators' general approach to resourcing their assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The case team will usually consist of one or more members of staff at each of the grades detailed in the charge-out rate schedule overleaf. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case.

With regard to support staff, time spent by cashiers in relation to tasks such as recording transactions and dealing with bank accounts is charged but secretarial time is only recovered if a large block of time is incurred, eg report compilation and distribution.

The Liquidators have not utilised the services of any sub-contractors in this case.

Professional advisors

On this assignment the Liquidators have used the professional advisor listed below. The Liquidators have also indicated the basis of their fee arrangement with the advisor, which was subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
CMS Cameron McKenna Nabarro Olswang LLP (legal advice)	Hourly rates and expenses

The Liquidators' choice was based on their perception of the professional advisor's experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement.

Charge-out rates

A schedule of AlixPartners' hourly charge-out rates for this assignment effective from 1 January 2023 is detailed below, together with the rates charged prior to that date. Time is charged by the Liquidators and case staff in units of six minutes.

Description	Rates from 1 January 2023 £	Rates pre 1 January 2023 £
Partner and Managing Director	920-1,135	835-1,080
Partner	875	N/A
Director	740-830	705-770
Senior Vice President	535-670	510-620
Vice President	415-515	380-485
Consultant	145-390	130-350
Treasury and support	205-405	190-375