

**ALPHACARE NW LIMITED
PREVIOUSLY KNOWN AS:
ALPHACARE MANAGEMENT & CONSULTING LIMITED
("THE COMPANY")
IN LIQUIDATION**

**JOINT LIQUIDATORS' PROGRESS REPORT FOR THE PERIOD
FROM 18 DECEMBER 2021 TO 17 DECEMBER 2022**

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1. STATUTORY INFORMATION

Name of Company: Alphacare NW Limited - In Liquidation ("the Company")

Previous Name(s): Alphacare Management & Consulting Limited

Date of Incorporation: 26 March 2012

Company Registered Number: 08006351

Company Registered Office: 3rd Floor, The Pinnacle, 73 King Street, Manchester M2 4NG

Company's Director:

	Date Appointed	Shares Held
Director(s)		
Anthony Williams	26 March 2012	50.00

2. THE JOINT LIQUIDATORS

Names of Joint Liquidators: John Paul Bell (8608) and Toyah Marie Poole (9740) Licensed Insolvency Practitioners of Clarke Bell Limited, 3rd Floor, The Pinnacle, 73 King Street, Manchester M2 4NG

Date of Appointment: 18 December 2017

Joint Liquidators' Contact Details: John Paul Bell and Toyah Marie Poole
info@clarkebell.com

Actions of Joint Liquidators; Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone.

3. PROGRESS DURING THE PERIOD, TOGETHER WITH RECEIPTS AND PAYMENTS MADE

Attached at Appendix A is a copy of our Receipts and Payments Account for the period under review, from 18 December 2021 to 17 December 2022, together with a cumulative total of the transactions made in this matter. I have reconciled the account against the financial records that I am required to maintain.

All figures detailed in the Receipts and Payments account are shown net of VAT.

The balance of funds are held in an interest bearing estate bank account.

The progress and movement on the Account is explained as follows:

Asset Realisations

(i) Overdrawn Director's Loan Account ('ODLA')

As at the date of my appointment as Liquidator, the sum of £212,604 remained due in respect of the company's outstanding ODLA.

To date, the total sum of £85,600 has been received in the Liquidation period, of which £3,000 has been received during the period under review.

As previously reported, as a result of the director's cash-flow difficulties, which were caused as a result of the COVID-19 Pandemic, I agreed that the director could continue the repayment of his ODLA at £1,000 per month, until his financial position had improved.

Unfortunately, during the period under review, the director continued to suffer cash flow difficulties and therefore was unable to keep in line with the agreed monthly repayment of £1,000.

As detailed in the attached Receipts and Payments Account, on £3,000 has been repaid in the last twelve months.

Subsequently our Solicitors, Freeths LLP, are now making attempts to recover the sums due. As part of this we have filed a Standstill Agreement with the Court to stop any limitation running on the realisation of this asset and to protect the Liquidator(s) position.

I will provide a further update in my next report.

Costs of Realisations

To date, the following professional agents have been engaged by us to provide the appropriate assistance.

Item of Expense	Initial Estimate of Costs (excluding VAT) £	Costs Incurred During the Period Under Review (excluding VAT) £	Costs Incurred to Date (excluding VAT) £
Solicitor Costs – Freeths LLP <ul style="list-style-type: none"> • to assist in the investigation and realisation of the company's debtors; and • to assist in the realisation of the company's Overdrawn Director's Loan Account. 	70,000.00	6,187.86	63,582.26

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made, and I am satisfied that they are reasonable in the circumstances of this case.

As at the date of this report the initial estimate of costs remains the same.

The above expenses are Category 1 expenses, and those discharged to date are identified on the attached Receipts and Payments account. It is noted that Solicitor costs of £1,684.06 have been discharged during the period under review.

Of the legal costs detailed above, £120 relates to disbursements incurred during the period under review.

Freeths LLP are not connected and do not have any conflict in acting, as Solicitors, in this matter.

It is anticipated that further agent fees shall accrue.

4. ASSETS WHICH REMAIN TO BE REALISED

The Receipts and Payments Account at Appendix 1 not only provides the realisations to date but also provides the Statement of Affairs figure as provided by the Company's Director(s). It will be seen from the anticipated assets (shown in the far left-hand column) that the following assets remain to be realised.

(i) Overdrawn Directors Loan Account ('ODLA')

As detailed at Section 3 above, efforts to realise the outstanding ODLA remains ongoing.

As at the date of this report, the amount outstanding in respect of the ODLA amounts to £127,004.

I will provide a further update to you in my next report.

5. REMUNERATION AND EXPENSES

Joint Liquidators' Remuneration and Expenses

Fixed Fee

As previously reported, the fixed fee, approved by the Company's creditors was £25,000, of which all has been drawn. Of the fee drawn, £10,000 was discharged in the Administration Period and £15,000 was discharged during the Liquidation Period. None of fee drawn was paid in the period under review.

Percentage of Realisations

The percentage approved by creditors is set out below. This table also details the assets which have been realised, together with the remuneration drawn.

Asset	Gross Realisation in ADM Period (£)	Gross realisation during CVL Period (£)	% agreed	Remuneration Permitted (£)	Remuneration Drawn to Date (£)
Book Debts	-	1,158.04	15	173.71	173.71
Goodwill	35,000.00	20,000.00	15	8,250.00	8,250.00
ODLA	25,400.00	85,600.00	15	16,650.00	16,319.02
Refund of Bank Charges	270.68	325.23	15	89.38	89.38
Computer Equipment	1,000.00	-	15	150.00	150.00

Fixtures & Fittings	4,000.00	-	15	600.00	600.00
Cash at Bank	1,722.99	-	15	258.42	258.42

Of the remuneration drawn in this respect, £450.00 was drawn during the period under review.

Guidance for Creditors

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>

You may also find it useful to read "A Guide To Liquidators' Fees" which can be downloaded from <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees> Please note that there are different versions of the Guidance Notes, and in this case, you should refer to the April 2021 version.

A hard copy of both documents can be obtained on request from this office.

Joint Liquidators' Expenses

Expenses are any payments from the Estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- Category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- Category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

A detailed explanation of Category 1 and Category 2 expenses, together with the approved rates for Category 2 expenses, is set out in Appendix B.

Category 1 expenses are those that are directly attributable to a third party invoice.

Category 1 expenses incurred in the period under review, together with those incurred to date, are set out in the table below.

Type Of Expense	Provider	Incurred During The Period Under Review (£)	Paid To Date (£)	Total Amount Outstanding (£)
Statutory Advertising	Courts Advertising	0.00	0.00	153.00
Bordereau	Marsh Limited	0.00	0.00	520.00
Postage	Clarke Bell Limited	0.00	0.00	22.00

To date, Category 1 expenses have not been discharged.

Category 2 expenses are those that are based upon an estimate or an internally set rate.

Approval to enable us to draw Category 2 expenses in accordance with the schedule previously provided was granted by creditors at the creditors meeting held on 10 March 2017.

Category 2 expenses incurred in the period under review are set out in the table below.

Type Of Expense	Provider	Incurred During The Period Under Review (£)	Paid To Date (£)	Total Amount Outstanding (£)
Photocopying	Clarke Bell Limited	0.00	0.00	39.00

To date, Category 2 expenses have not been discharged.

6. ESTIMATED OUTCOME FOR CREDITORS / DISTRIBUTIONS

I set out specific information for each class of creditor.

Secured Creditor(s)

As previously reported, the company had a secured creditor, namely Factor 21 ("The Factoring Company").

I can confirm that Factor 21 have been paid, in full.

Preferential Creditors

There are no known preferential claims.

Prescribed Part for Unsecured Creditors Pursuant to s176A Insolvency Act 1986

Section 176A of the 1986 Insolvency Act provides that where the Company has created a Floating Charge on or after 15 September 2003 the Liquidator must calculate and make a 'Prescribed Part' of the Company's net property available for the unsecured creditors ahead of any distribution to the floating charge holder.

How the Provisions Apply to This Company

As you are aware, the secured creditor has been repaid in full. Therefore, the prescribed part calculation is not necessary.

Unsecured Creditors

The Liquidation commenced with creditor claims totalling £503,396.

At the date of this report, I have received claims totalling £693,516 from 16 creditors.

All creditor claims have now been agreed, and as such, no further claims are anticipated.

Dividend Prospects

As previously reported, unsecured creditors have received a dividend of 2.88p/£. This dividend was declared and paid on 23 April 2021.

Based on current information, there are insufficient funds available to enable a further distribution to the unsecured creditors, at this time.

Whilst a balance of funds are held, these monies are being retained to pay the necessary costs that may be required in order to take further action required to recover the outstanding ODLA outlined herein.

7. FURTHER INFORMATION

An unsecured creditor may, with the permission of the Court, or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), request further details of the Joint Liquidators' remuneration and expenses within 21 days of their receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the Court, or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to Court to challenge the amount of remuneration charged by the Joint Liquidators as being excessive, and/or the basis of the Joint Liquidators' remuneration, and/or the amount of the expenses incurred as being excessive, within 8 weeks of their receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information above about Clarke Bell Limited that is of relevance to creditors can be found via our website at <https://www.clarkebell.com/provision-of-services-regulations/>

Clarke Bell Limited uses personal information in order to fulfil the legal obligations of our Insolvency Practitioners under the Insolvency Act and other relevant legislation, and also to fulfil the legitimate interests of keeping creditors and others informed about the insolvency proceedings. You can find more information on how Clarke Bell Limited uses your personal information on our website at <https://www.clarkebell.com/privacy-statement/>

8. CONCLUSION

I am required to deliver a copy of our progress report within two months after the end of the period covered by the report.

As detailed above, we are still in the process of realising the company's ODLA. As such the Liquidation will remain open until this matter is formally concluded.

If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Michael Sharp on 0161 907 4044, or by email at michaelsharp@clarkebell.com

Yours faithfully



JOHN PAUL BELL
JOINT LIQUIDATOR

DATED: 15 FEBRUARY 2023

APPENDIX A
RECEIPTS AND PAYMENTS ACCOUNT

Alphacare NW Limited

In Liquidation

Joint Liquidators' Summary of Receipts and Payments (Accruals Basis)

Statement of Affairs £	From 18 December 2021 To 17 December 2022 £	From 18 December 2017 To 17 December 2022 £
SECURED ASSETS		
270,696.00 Book Debts	0.00	1,158.04
	<u>0.00</u>	<u>1,158.04</u>
SECURED CREDITORS		
(183,020.00) Factor 21	0.00	0.00
	<u>0.00</u>	<u>0.00</u>
ASSET REALISATIONS		
Transfer from ADM	0.00	9,611.85
20,000.00 Goodwill	0.00	20,000.00
NIL Stock	0.00	0.00
212,604.00 Directors Loan Account	3,000.00	85,600.00
Refund of Bank Charges	0.00	325.23
17,369.00 Debtor - RBS Factor	0.00	0.00
Bank Interest Gross	1.14	52.93
	<u>3,001.14</u>	<u>115,590.01</u>
COST OF REALISATIONS		
Office Holders Fees - % of Realisations	450.00	25,840.53
Office Holders Fixed Fee	0.00	15,000.00
Legal Fees (Category I)	1,684.06	35,967.46
Legal Disbursements (1) (Category I)	0.00	217.65
Irrecoverable VAT	983.11	15,405.14
DTI Unclaimed Dividends	25.75	25.75
	<u>(3,142.92)</u>	<u>(92,456.53)</u>
UNSECURED CREDITORS		
(21,470.74) Trade & Expense Creditors	0.00	2,427.99
(62,743.95) loans	0.00	0.00
(30,477.00) Barclays Bank	0.00	641.79
(269,533.00) HM Revenue & Customs - PAYE/NIC	0.00	0.00
(119,173.00) HM Revenue & Customs - CT	0.00	16,930.22
	<u>0.00</u>	<u>(20,000.00)</u>
<u>(165,748.69)</u>	<u>(141.78)</u>	<u>4,291.52</u>
REPRESENTED BY		
Bank 1 Current		4,291.52
		<u>4,291.52</u>

John Bell

John Paul Bell
Joint Liquidator

APPENDIX B

JOINT LIQUIDATORS' EXPENSES POLICY

Category 1 & Category 2 Expenses

Expenses are categorised as either Category 1 or Category 2.

Category 1

Category 1 expenses are clearly identifiable third party costs that are directly attributable to the case. Occasionally these expenses are paid by Clarke Bell Limited and then recharged to the case, usually when there are insufficient funds within the case to pay the expenses at the time it falls due. Specific approval from creditors is not required for Category 1 expenses.

Typical examples of Category 1 expenses are:

- Postage
- Advertising
- Insurance
- Travel costs
- External room hire

Category 2

Category 2 expenses are estimated or shared costs which may include some internal recharges from Clarke Bell Limited. It is likely that it is not possible, or too costly, to calculate the exact cost and an estimate is therefore used. These expenses can be paid from the case if the basis of the charge has been approved by creditors.

Typical examples of Category 2 expenses are:

- Photocopying
- Mileage
- Storage
- Agent costs where the Agent is deemed as an associate

The current levels of Category 2 expenses recovered by Clarke Bell Limited are as follows:

Photocopying at £0.15 per copy.
Mileage at £0.45 per mile.
Storage and destruction of records at £17 per box of records, per annum.

APPENDIX C

JOINT LIQUIDATORS' ACTIVITIES

Detailed below is a summary of the activities that have been undertaken in this matter during the period under review.

Staff of different levels will be involved in these activities dependent upon the level of experience required in order to keep costs to an appropriate level.

(a) Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the members, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Reviewing the adequacy of the specific bond on a quarterly basis.
- Dealing with all routine correspondence and emails relating to the case.
- Undertaking periodic file reviews.
- Maintenance of Liquidator's records.
- Maintaining and managing the Liquidator's estate bank account.
- Undertaking regular reconciliations of the bank account containing estate funds.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and delivering progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing Corporation Tax Returns.

(b) Realisation of Assets

The Joint Liquidators have a duty to realise the company's assets for the benefit of the Estate.

- Liaising with Solicitors in regards to the realisation of the Overdrawn Directors Loan Account.

(c) Creditors

Claims of creditors - The Joint Liquidators need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case. The Joint Liquidators also need to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The Joint Liquidators are required to undertake this work as part of their statutory functions.

- Maintaining a list of creditor claims.
- Dealing with creditor enquiries.