

WU15

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



Companies House

TUESDAY



A08 *A6FAO2IX* 19/09/2017 #306
COMPANIES HOUSE

1 Company details

Company number 0 6 9 2 4 6 7 5

Company name in full Patterson Distribution Limited

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

2 Liquidator's name

Full forename(s) Lyn Leon

Surname Vardy

3 Liquidator's address

Building name/number 8th Floor, Central Square

Street 29 Wellington Street

Post town Leeds

County/Region West Yorkshire

Postcode L S 1 4 D L

Country

4 Liquidator's name ①

Full forename(s) Ian David

Surname Green

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 7 More London

Street Riverside

Post town London

County/Region

Postcode S E 1 2 R T

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

^d1

^d4

^m0

^m7

^y2

^y0

^y1

^y7

8 Final account

☒ The final account is attached

9 Sign and date

Liquidator's signature

Signature

X

X

Signature date

^d1

^d2

^m0

^m9

^y2

^y0

^y1

^y7

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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	Sandra Andrews
Company name	PwC LLP
Address	8th Floor, Central Square
	29 Wellington Street
Post town	Leeds
County/Region	West Yorkshire
Postcode	L S 1 2 R T
Country	
DX	
Telephone	0113 289 4926



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

Joint liquidators' final account

Patterson Distribution Limited (in liquidation)

14 July 2017

Contents

Abbreviations and definitions	2
Key messages	3
Background to the liquidation	4
Outcome for creditors	5
What we've done during the liquidation	6
Appendix A: Receipts and payments	8
Appendix B: Expenses	9
Appendix C: Remuneration update	10
Appendix D: Other information	15

Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

Abbreviation or definition	Meaning
Company	Patterson Distribution Limited
Liquidators	Lyn Leon Vardy from 19 August 2013 Ian David Green from 19 August 2013 Nicholas Edward Reed from 13 November 2012 to 19 August 2013 Stephen Mark Oldfield from 13 November 2012 to 19 August 2013
firm	PricewaterhouseCoopers LLP
IA86	Insolvency Act 1986
prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
preferential creditors	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
Rock	RFD (Realisations Limited) Limited (formerly Rock Farm Dairies Limited) – in administration
unsecured creditors	Creditors who are neither secured nor preferential

Key messages

Why we've sent you this report

We're writing to tell you that the Company's affairs are now fully wound up and to provide our final account of the liquidation, including an update since our last progress report.

Please get in touch with Sandra Andrews on 0113 289 4926 or at sandra.andrews@uk.pwc.com if you need copies of earlier reports.

How much creditors have received

The following table summarises the outcome for creditors.

Class of creditor	Distributed (p in £)	Previous estimate (p in £)
Secured creditors	N/A	N/A
Preferential creditors	N/A	N/A
Unsecured creditors	Nil	Nil

What you need to do

This report is for your information only and you don't need to do anything.

The enclosed Notice of Final Report gives details of creditors' rights in relation to requesting further information, challenging the Liquidators' remuneration and expenses and objecting to the Liquidators' release from liability.

More information in relation to creditors' rights can also be found in the guide below:

<http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/creditors-guide-liquidators-fees-final.ashx?la=en>

You can also get a copy free of charge by telephoning Sandra Andrews on 0113 289 4926.

Background to the liquidation

We summarise below the Company's background and reasons for its insolvency:

- The Company was set up to provide milk distribution services throughout the North East. It traded in an informal partnership with its only supplier, Rock, in the hope that both companies would be more effective in fighting trade competitors.
- Due to aggressive price matching with its competitors, the Company's profit margins dropped. In addition, its operational costs increased when it moved its trading activities to a new depot.
- In March 2012, Rock entered into administration and the Company ceased to trade.

As a result, the Company was unable to pay its debts as and when they became due and so a petition for its winding up was presented to the Court on 7 September 2012 by Rock. This was in respect of unpaid invoices for milk supplied in the sum of £1,070,553.

The subsequent winding up order was made on 30 October 2012, and Nick Reed and Stephen Oldfield were appointed joint liquidators of the Company by the Secretary of State on 13 November 2012.

Outcome for creditors

Secured creditors

The Company does not have any secured creditors.

Preferential creditors (mainly employees)

The Company does not have any preferential creditors.

Unsecured creditors

Dividends become available for unsecured creditors when there are sufficient funds (after costs of the liquidation) to pay the secured and preferential creditors in full, with an amount left over. In certain circumstances, part of the amount available for secured creditors may be ring-fenced for the benefit of unsecured creditors. This prescribed part is paid out of 'net property', which is floating charge realisations after costs, and after paying - or setting aside enough to pay - preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

In this case the prescribed part doesn't apply because there is no floating charge registered against the Company.

No assets were realised in the liquidation and so no dividend could be paid to unsecured creditors under the prescribed part or otherwise.

What we've done during the liquidation

No assets were disclosed to the Official Receiver and so, on our appointment, we commenced investigations into:-

- the possible dissipation of assets prior to liquidation; and
- how the petition debt arose.

Subsequently, the directors' made us aware of a counter claim on an intercompany loan.

In our previous reports we explained that, as part of our investigations, we held meetings with the Company's directors, bookkeeper and accountants and employed a tracing agent to establish the position with reference to the Company's assets. We undertook a detailed review of the trading records and sought explanations from directors in respect of various transactions. We also requested further documentation and evidence of transactions in order to support the counter claim.

The directors did not provide any further evidence and stated that they held no further books and records. At the time of our last report we were reviewing our future strategy with our legal advisors and, after discussions with them, have now come to the conclusion that we have exhausted all avenues and can take no further action.

Accordingly the liquidation is now being brought to a close.

Connected party transactions

There have been no connected party transactions in the liquidation.

Statutory and compliance

Annual report

We completed annual progress reports which were circulated to the Company's creditors and copies of the same were filed at Companies House.

Tax Matters

We submitted corporation tax returns during the period of the liquidation and have obtained tax clearance prior to commencing closure procedures.

Changes of liquidators

During the liquidation, Nick Reed left the firm and, due to an internal reorganisation within the firm, Stephen Oldfield was no longer able to act as the office holder. To make sure that outstanding issues in the liquidation could continue to be pursued, an application was made to the Court to remove them and appoint Lyn Vardy and Ian Green as joint liquidators. Lyn Vardy and Ian Green are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The application was granted and so Lyn Vardy and Ian Green replaced Nick Reed and Stephen Oldfield as joint liquidators with effect from 19 August 2013. Both Nick Reed and Stephen Oldfield were released from all liability in respect of their conduct as liquidator with effect from 28 February 2014.

Investigations and actions

We have reviewed the Company's affairs and taken into account any points raised by creditors in discharging our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2. Nothing came to our attention to suggest that we needed to do any more work in line with our duties.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidation from 19 August 2016 to 11 July 2017 and for the liquidation in total.

Our expenses

We set out in Appendix B, a statement of the expenses we've incurred in the period since our last report.

Our fees

We set out in Appendix C, an update on our remuneration which covers our fees, disbursements and other related matters in this case.

What we still need to do

The winding up of the Company is now complete. Following the end of the period within which creditors may object to our release, we will send a copy of this final account to the Registrar of Companies with a statement of whether any creditors of the Company objected. We will vacate office on sending the copy report and statement.

If you've got any questions, please get in touch with Sandra Andrews, on 0113 289 4926.

Yours faithfully

Lyn Vardy
Joint liquidator

*Lyn Leon Vardy and Ian David Green have been appointed as joint liquidators of the Company. Both are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. The joint liquidators are bound by the Insolvency Code of Ethics which can be found at:
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.*

The joint liquidators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the liquidation.

Appendix A: Receipts and payments

Directors' statement of affairs		For the period from 13 November 2012 to 18 August 2016	For the period from 19 August 2016 to 4 July 2017	Total to 4 July 2017
(£)		(£)	(£)	(£)
Nil	Receipts			
	Nil	-	-	-
	Total Receipts	-	-	-
	Payments			
	Bank charges	242.00	176.00	418.00
	Official Receiver's charges	-	1,070.00	1,070.00
	Total Payments	242.00	1,246.00	1,488.00
	Balance at Insolvency Services account (interest bearing when in credit)	(242.00)	(1,246.00)	(1,488.00)

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as liquidators from the estate and includes our fees, but excludes distributions to creditors.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid by the liquidators during the period and the total paid to date.

Description	Brought forward from preceding period (£)	Incurred in the period under review (£)	Cumulative (£)
Joint liquidators' timecosts	91,888.47	17,747.25	109,635.72
Joint liquidators' expenses			
Statutory advertising	196.87	-	196.87
Joint liquidators' bond	40.00	-	40.00
Company search fees	6.00	-	6.00
Car park fees	5.00	-	5.00
Hotel accommodation	92.04	-	92.04
Mileage	118.32	-	118.32
Rail/taxi fares	368.50	-	368.50
Tracing agents' fees	350.00	-	350.00
Bank charges	242.00	176.00	418.00
Archiving	42.41	5.83	48.24
	93,349.61	17,929.08	111,278.69

Appendix C: Remuneration update

Our fees were approved on a time costs basis by the general body of creditors at a meeting held on 12 February 2013. This approval allowed us to draw fees by reference to the time properly given by us and our staff in dealing with the liquidation.

The time cost charges incurred in the period since our last report appointment are £17,747.25.

We set out later in this Appendix details of our work to date together with our disbursements.

Our hours and average rates

Analysis of time costs for the period from 19 August 2016 to 7 July 2017

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Secretarial	Total hours	Time cost £	Average hourly rate £	Cumulative £
1 Strategy & Planning	-	-	-	-	2.60	-	-	2.60	494.00	190.00	20,094.70
5 Investigations	-	-	-	0.30	-	-	-	0.30	103.50	345.00	34,873.70
6 Creditors	-	-	-	-	-	-	-	-	-	-	313.80
7 Accounting and treasury	-	-	-	0.50	-	1.35	-	1.85	402.00	217.30	1,774.87
8 Statutory and compliance	1.50	1.70	1.00	6.70	24.20	0.10	-	35.20	9,181.50	246.48	40,582.25
9 Tax & VAT	-	-	-	1.40	2.65	4.63	-	8.68	1,834.75	211.38	6,264.90
12 Closure procedures	-	1.10	-	0.20	24.55	-	-	25.85	5,731.50	221.72	5,731.50
Total for the period	1.50	2.80	1.00	9.10	54.00	6.08	0.00	74.48	17,747.25	238.28	109,635.72
Brought forward at 18 Aug 2016								331.64	91,888.47		
Total								406.12	109,635.72		

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the liquidation. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or the Liquidators.

All of our staff who work on the liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. For the avoidance of doubt, work carried out by our cashiers, support and secretarial staff is charged on a time costs basis and is included in the analysis of hourly rates charged by partners or other staff members. Time is charged in three minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidation.

Grade	Up to 30 June 2017 £	From 1 July 2017 £
Partner	600	620
Director	500	525
Senior manager	435	450
Manager	345	355
Senior associate – qualified	260	268
Senior associate – unqualified	190	196
Associate	170	175
Support staff	89	92

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	From 1 July 2016 £
Partner	1,250
Director	1,150
Senior manager	970
Manager	700
Senior Associate / consultant	515
Associate / assistant consultant	255
Support staff	150

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

Payments to associates

We have not made any payments to associates.

Our work in the period since our last report

Earlier in this section we have included an analysis of the time spent by the various grades of staff.

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work

Area of work	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Strategy & planning	<ul style="list-style-type: none"> Case strategy and update meetings Team briefings 	<ul style="list-style-type: none"> For the proper management of the case 	<ul style="list-style-type: none"> Controls efficiencies, time costs and ensures continued case progression
Investigations	<ul style="list-style-type: none"> Completion of investigations 	<ul style="list-style-type: none"> To comply with statutory and other obligations placed on the liquidators To identify any assets or potential recoveries for the benefit of creditors 	<ul style="list-style-type: none"> Required by statute or other legal requirement
Accounting & treasury	<ul style="list-style-type: none"> Processing payments Producing bank reconciliations 	<ul style="list-style-type: none"> Proper and efficient stewardship and accounting for liquidation funds 	<ul style="list-style-type: none"> Required by statute and legislation
Statutory & compliance	<ul style="list-style-type: none"> Preparing the liquidators' progress reports Filing statutory documents with the Registrar of Companies 	<ul style="list-style-type: none"> To comply with statutory and other obligations placed on the liquidators 	<ul style="list-style-type: none"> Required by statute or other legal requirement
Tax and VAT	<ul style="list-style-type: none"> Preparing tax returns and obtaining tax clearance 	<ul style="list-style-type: none"> For the proper management of the case 	<ul style="list-style-type: none"> Required by statute and legislation
Closure	<ul style="list-style-type: none"> Preparation of final report 	<ul style="list-style-type: none"> For the proper management of the case To comply with statutory and other obligations placed on the liquidators 	<ul style="list-style-type: none"> Required by statute and legislation

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the liquidation and has been approved by the general body of creditors where required.

The following disbursements arose in the period of this report.

Category	Policy	Costs incurred £
2	Photocopying - at 4 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	Nil
2	Mileage - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	Nil
1	Archiving costs	5.83
Total		5.83

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the liquidation where the relationship could give rise to a conflict of interest.

Details of subcontracted work

We have not subcontracted out any work, which we or our staff would normally do.

Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services	• Lupton Fawcett Dennison Till	• industry knowledge	• Contingency fee basis*
Tracing agents	• Tremark Associates	• Industry knowledge	• Time costs basis

*Fees are only payable if asset realisations are achieved

Appendix D: Other information

Company's registered name:	Patterson Distribution Limited
Trading name:	As above
Registered number:	06924675
Registered address:	8th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the Liquidators' appointment:	Nicholas Edward Reed from 13 November 2012 to 19 August 2013 Stephen Mark Oldfield from 13 November 2012 to 19 August 2013 Lyn Leon Vardy from 19 August 2013 Ian David Green from 19 August 2013
Liquidators' names, addresses and contact details:	Lyn Leon Vardy of PricewaterhouseCoopers LLP, Central Square, 29 Wellington Street, Leeds LS1 4DL. Tel 0113 289 4926 Ian David Green of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT. Tel 0113 289 4926
