

2128477



Our Ref LSR/DLG/AWA/A00468/7

To the Creditors

Recovery and Reorganisation

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16 July 2012

Dear Sirs

**African Safari Club Limited - in Liquidation (the 'Company')
In the High Court of Justice No. 2527 of 2011**

1 Introduction

1.1 I refer to my previous report of 25 July 2011 in which I advised that I was appointed Joint Liquidator, along with James Earp on 16 June 2011. In accordance with rule 4.49B of the Insolvency Rules 1986, I now report on the progress of the liquidation for the year ended 15 June 2012 and attach

- Appendix A, a summary of the Joint Liquidators' Receipts & Payments for 16 June 2011 to 15 June 2012,
- Appendix B, an analysis of the Joint Liquidators' time costs as required by Statement of Insolvency Practice 9,
- Appendix C, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the Joint Liquidators (rule 4.49E),
- Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the Joint Liquidators' remuneration or expenses if considered excessive (rule 4.131)

1.2 Please note that both James Earp and I are both authorised by The Insolvency Practitioners Association to act as insolvency practitioners

TUESDAY



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QIQ 24/07/2012 #49
COMPANIES HOUSE

Chartered Accountants

Member firm within Grant Thornton International Ltd

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No. OC307742. Registered office: Grant Thornton House, Milton Street, Euston Square, London NW1 1ZP. A list of members is available from our registered office.

Grant Thornton UK LLP is authorised and regulated by the Financial Services Authority for investment business.

2 Statutory information

2.1 The Company's statutory details are as follows

Registered number	2128477
Registered office	30 Finsbury Square London EC2P 2YU

3 Progress report

- 3.1 We continue to investigate the affairs of the Company in respect of the period leading up to our appointment as liquidator. We will report to creditors in due course as regards the outcome of these investigations.
- 3.2 We have reviewed the intercompany position stated in the accounting records. As at 30 September 2010, the draft accounts show that approximately £2.7 million was due from other group companies, which are now either in liquidation or appear to have ceased trading. Realisations appear unlikely however our review is not yet complete.
- 3.3 A balance of cash of £9,821 has been realised from the provisional liquidation. The principal recoveries during the provisional liquidation were £3,500 plus VAT from a debtor in respect of the Egyptian forward bookings and £5,626 in respect of debts due from travel agents.
- 3.4 From the records, we have identified other debtors with a book value of approximately £35,000 due to the Company. We pursued these debtors and have recovered a further £4,794. The balances of the debts are disputed. No further realisations are anticipated.
- 3.5 Our agents sold sundry furniture and equipment left at the trading premises for £1,944 plus VAT. A domain name was sold for £1,050 plus VAT.
- 3.6 We have been liaising with the Civil Aviation Authority's agents, Hartswood, in relation to claims outstanding by customers in respect of cancelled holidays and refunds.
- 3.7 The former employees are the only preferential creditors in this matter. The Redundancy Payments Office has not yet finalised its claim in the liquidation.
- 3.8 I have received unsecured claims to date totalling £5,301,096.35. These claims have not yet been agreed.
- 3.9 Based on the current financial information, there are insufficient funds available for a distribution to be made to preferential and unsecured creditors.

4 Joint Liquidators' remuneration and expenses

- 4.1 The fixing of the Joint Liquidators' remuneration is pursuant to rule 4.127(5A) of the Insolvency Rules 1986. On 25 August 2011, the creditors resolved at the meeting that the Joint Liquidators draw their remuneration by reference to their time costs.
- 4.2 In accordance with Statement of Insolvency Practice 9 and tables attached at Appendix C, I attach a summary of the Joint Liquidator's time costs to 16 June 2012 by grade of staff and type of work. This shows total time costs for work completed by Grant Thornton (GT), of £204,700.95 representing 806.72 hours at an average of £253.74 per hour. To date no remuneration has been drawn by the Joint Liquidators.
- 4.3 The expenses incurred and paid during the year by the Joint Liquidators are as follows:

	£
Land Registry charge	106
Software expenses	2,071.68
Travel expenses (ex-employee)	131.30
Sundry expenses	34.02
	2,343

- 4.4 Background information regarding the fees of liquidators can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively I will supply this information by post on request. I attach an explanation of charging and disbursement policies for GT.
- 4.5 We next anticipate reporting to creditors following the second anniversary of our appointment or earlier, if we are in a position to cease to act.

Yours faithfully
for and on behalf of African Safari Club Limited



Amanda Wade
Joint Liquidator

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A Summary of the Joint Liquidators' Receipts &
Payments for 16 June 2011 to 15 June 2012

African Safari Club Limited - In Liquidation

Appendix A

**Summary of the Joint Liquidators' Receipts and Payments
16 June 2011 to 15 June 2012**

RECEIPTS	£
Domain name	1,050 00
Furniture and equipment	1,944 10
Book debts	4,794 12
Balance from prov liquidation	9,821 17
Peuioners' deposit	1,000 00
VAT Payable	410 00
	<hr/>
	19,019 39
PAYMENTS	
Insurance	337 08
Agents Fees	944 10
Advertising	74 63
O R. Remuneration	2,235 00
ISA Account Fees	2,126 36
DTI Cheque Fees	0 45
Secretary of State Fees	2,476 94
Liquidators' Expenses	2,343 00
VAT Receivable	482 55
	<hr/>
	11,020 11
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Balance in hand	7,999 28

B An analysis of the Joint Liquidators' time costs
as required by Statement of Insolvency
Practice 9

African Safari Club Limited - in Liquidation
SIP 9 Time Cost Analysis for the year to 15 June 2012

Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Average Hourly Rate
Administration and Planning	16 54	7,165 40	108 65	41,221 75	10 68	2,184 30	64 90	10,562 50	200 77	61,133 95	304 50
Creditors	0	0	10 80	4,500 50	0	0	133 55	20,252 50	144 35	24,753 00	171 48
Investigations	0	0	149 25	61,796 25	32 80	8,194 50	227 25	39,067 75	409 30	109,058 50	266 45
Realisation of Assets	0	0	11 20	4,710 00	0	0	45 10	6,763 00	56 30	11,473 00	203 78
Total	16 54	7,165 40	279 90	112,228 50	43 48	10,378 80	470 80	76,645 75	810 72	206,418 45	254 61

Total fees billed to date (Time) £NIL

C An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator

Rule 4 49E edited for application to a progress report in a winding-up by the court

- (1) If
 - (a) within the period mentioned in paragraph (2)
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within the period mentioned in paragraph (2), any unsecured creditor makes a request in writing to the liquidator for further information about remuneration or expenses set out in the progress report, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of a matter which was previously included in a progress report
- (2) The period referred to in paragraph (1)(a) is 21 days of receipt of the progress report
- (3) The liquidator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the liquidator considers that
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
 - (iii) the liquidator is subject to an obligation of confidentiality in respect of the information,giving reasons for not providing all of the information
- (4) Any creditor, who need not be the same as the creditor who requested further information, may apply to the court within 21 days of -
 - (a) the giving by the liquidator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),and the court may make such order as it thinks just
- (5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 4 131(1B) by such further period as the court thinks just
- (6) This Rule does not apply where the liquidator is the Official Receiver

D An extract from the Insolvency Rules 1986
relating to creditors' rights to challenge the
liquidator's remuneration or expenses if
excessive

Rule 4 131

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4).
- (1A) Application by a creditor may be made on the grounds that -
 - (a) the remuneration charged by the liquidator,
 - (b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
 - (c) expenses incurred by the liquidator,is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice, but which is without notice to any other party
If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the liquidator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation
 - (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specifyand may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation

**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

2128477

Name of Company

African Safari Club Limited

I / We
Amanda Wade
30 Finsbury Square
London
EC2P 2YU

James Earp
30 Finsbury Square
London
EC2P 2YU

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 16/06/2011 to 15/06/2012

Signed



Date

17/7/12

Grant Thornton UK LLP
30 Finsbury Square
London
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