

The Insolvency Act 1986

**Administrator's progress report**Name of Company  
JCCO 114 LimitedCompany number  
4880130

In the Royal Court of Justice, Chancery Division, Companies Court

[full name of court]

Court case number  
10596/2008(a) Insert full name(s) and  
address(es) of  
administrator(s)

We, Robert Caven of Grant Thornton UK LLP, 95 Bothwell Street, Glasgow, G2 7JZ,  
Mark Byers of Grant Thornton UK LLP, Grant Thornton House, Melton Street, London, NW1 2EP and  
Joseph McLean of Grant Thornton UK LLP, No 1 Whitehall Riverside, Leeds, LS1 4BN

Joint Administrators of the above Company attach a progress report for the period

from

to

2 June 2011

1 December 2011

(b) Insert dates

Signed

Joint Administrator

Dated

21 / 12 / 11

**Contact Details:**

You do not have to give any contact information in  
the box opposite but if you do, it will help Companies  
House to contact you if there is a query on the form  
The contact information that you give will be visible  
to searchers of the public record

Paul McAllister, Grant Thornton UK LLP, 95 Bothwell Street, Glasgow, G2 7JZ

Tel 0141 223 0000

DX Number

DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at  
Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

SATURDAY



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# Grant Thornton

Our Ref RXC/JGM/PZM/J82477/7

To the Creditors

## Recovery and Reorganisation

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22 December 2011

Dear Sirs

## **JCCO 114 Limited (formerly aAIM Limited) - In Administration ("JCCO" or "the Company")**

### **1 INTRODUCTION**

- 1 1 Following the appointment of myself and my partners Mark Byers and Joseph McLean as Joint Administrators of the above Company by the Directors on 2 December 2008, I now report on the progress of the administration from 2 June 2011 to 1 December 2011 in accordance with Rule 2 47(4)(a) of the Insolvency Rules 1986
- 1 2 This report should be read in conjunction with the Joint Administrators' proposals dated 27 January 2009 and my progress reports of 2 July 2009, 24 November 2009, 15 June 2010, 15 December 2010 and 1 July 2011
- 1 3 I enclose an account of my receipts and payments for the period 2 June 2011 to 1 December 2011 (Appendix A)
- 1 4 In accordance with paragraph 100 (2) of Schedule B1 to the Insolvency Act 1986 the functions of the administrators are to be exercised by any or all of them

### **2 STATUTORY INFORMATION**

- 2 1 The Company's statutory details are as follows

Registered number 4880130

Date of incorporation 28 August 2003

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, Melford Street, Euston Square, London NW1 2EP  
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.

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address.

Registered office	c/o Grant Thornton UK LLP, Grant Thornton House, Melton Road, London NW1 2EP
Authorised share capital	100 Ordinary Shares @£1
Issued share capital	1 Ordinary Shares @£1

<b>Directors (at date of appointment):</b>	<b>Shareholding</b>
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James Robert Elton	Nil
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Mark Lee Tagliaferri	Nil
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<b>Secretary</b>	<b>Shareholding</b>
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JC Secretaries Limited	Nil
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2.2 The Directors did not hold shares in the Company. The issued share capital of the Company is held by aAIM Group Limited ("aAIM Group" or "the Group"), the parent Company of JCCO. The Joint Administrators have not been appointed to any other Companies associated with JCCO.

2.3 My appointment was confirmed by an Order of the Royal Court of Justice, Chancery Division, Companies Court on 2 December 2008. The Court reference number is 10596/2008.

2.4 The Court granted an extension to the administration for a period of twelve months from 2 December 2009 to allow asset realisations to continue. A further extension of 24 months was granted and is due to expire on 1 December 2012.

2.5 The administration constitutes "main proceedings" under the EC Regulation on Insolvency Proceedings.

### **3      PROGRESS REPORT**

#### **Actions Taken Since Last Report**

- 3 1    Summarised below are the main actions taken following my previous reports to creditors
- 3 1 1    Attempting to ingather funds from the Skuduv Palace SPV    Currently, I have recovered £117,853 against a balance of £243,674    However, in the middle of the year, there was a change in asset manager and no funds have been recovered since in line with the agreed quarterly repayments    I am currently seeking the advice of my legal agents in relation to the most appropriate recovery action and expect to commence such an action imminently
- 3 1 2    Corresponding with the secured creditor in relation to the Lagonda SPV    This has led to the sale of loan stock held by JCCO in the Lagonda for the sum of £1 as part of a wider restructuring of the SPV    This amount is solely attributable to the Fixed Charge Holder
- 3 1 3    Reporting to Fixed and Floating Charge Holder as agreed
- 3 1 4    Attending to all statutory matters as required
- 3 1 5    Other ad-hoc duties as required

#### **Future Asset Realisations**

- 3 2    Future asset realisations are anticipated to comprise of outstanding inter-company loan balances as noted above

## 4 INFORMATION FOR CREDITORS

### Preferential Creditors

- 4.1 Preferential claims against the Company represent arrears of wages up to statutory limits and accrued holiday pay, in accordance with contractual entitlements. A claim from the Redundancy Payments Service in respect of their preferential claim has been received and agreed in the sum of £3,874.20. This and residual claims of £11,913.72 from employees have been paid in full.

### Fixed Charge Creditors

- 4.2 The Company had granted fixed charges over JCCO's "investments" and "loans" in the SPV's to the Bank of Scotland. Expenditure incurred in connection with the fixed charge assets will be met by the fixed charge holder.

### Floating Charge Creditors

- 4.3 The Company had granted a floating charge in favour of Bank of Scotland over property not covered by the fixed charges.

### Unsecured Creditors

- 4.4 As the company's net property under Section 176A of the Insolvency Act 1986 is estimated to be greater than £10,000, an amount will be provided for the prescribed part. The estimated amount available to unsecured creditors, whose claims are estimated at £5.69M, is as follows,

	Low (£)	High (£)
Estimated Floating Charge Realisations	1,039,000	1,165,000
Less Estimated cost of realisations	<u>(453,000)</u>	<u>(453,000)</u>
Net Property	586,000	712,000
50% of first £10,000	5,000	5,000
20% of remainder	<u>115,200</u>	<u>140,400</u>
Estimated funds available to unsecured creditors	120,200	145,400
Estimated Dividend (pence in the pound)	2.1	2.6

- 4 5 The Administrators advise that there will be no funds available to ordinary creditors other than the prescribed part. The final value will depend upon recovery from amounts due from Special Purpose Vehicles for which JCCO was the asset manager

### **Ceasing to Act**

- 4 6 Under the Enterprise Act 2002 all administrations automatically come to an end after one year, unless an extension is granted by the Court or with the consent of creditors
- 4 7 The administration was due to end in 2009, however, in accordance with paragraph 83(1) of Schedule B1 to the Insolvency Act 1986, the conversion to a Creditors Voluntary Liquidation can only occur when the amount available for secured creditors has been 'paid or set aside for him'
- 4 8 An extension to the administration period of 36 months was therefore applied for and 12 months were granted by the Court, effective from 2 December 2009
- 4 9 As we continued to pursue additional recoveries a further extension of 24 months was sought and granted by the Court, effective from 2 December 2010
- 4 10 Upon realisation of the remaining assets, we will distribute funds to the secured creditors and the Company may be placed into Creditors Voluntary Liquidation in order to facilitate a prescribed part distribution to unsecured creditors in accordance with Section 176A of the Insolvency Act 1986
- 4 11 Otherwise, and unless it is proposed that a company in administration should be placed in Creditors Voluntary Liquidation the appointment of Administrators ceases on the following
- an application to Court (in the event of a Court appointment)
  - filing a notice in Court and with the Registrar of Companies confirming that the purpose of the Administration has been sufficiently achieved
  - or in the event that the Company has no property, the Administrator may notify the Registrar of Companies to that effect at which time the appointment of the Administrator ceases and 3 months following that date the company is deemed to be dissolved

## **5 ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS**

- 5.1 The Joint Administrators' fees and expenses from 2 December 2008 through to 30 November 2010 of £373,953.50 (excluding VAT) and £13,001.67 (excluding VAT) approved previously have been drawn in full. As previously notified, these fees and expenses have been allocated to the Floating Charge account and to the Fixed Charge account as appropriate.
- 5.2 Background information regarding the fees of administrators can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Technical' to 'Creditors Guides to Fees'). Alternatively I will supply this information by post on request.

Yours faithfully

for and on behalf of JCCO 114 Limited (formerly aAIM Limited)



Robert Caven  
Joint Administrator

The affairs, business and property of JCCO 114 Limited (formerly aAIM Limited) are being managed by Robert Caven, Joseph McLean and Mark Byers, appointed as joint administrators on 2 December 2008. Robert Caven and Joseph McLean are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants of Scotland. Mark Byers is authorised to act as an Insolvency Practitioner by the Insolvency Practitioners Association. The joint administrators contract as agents of the company and without personal liability.

## APPENDIX A

### Receipts and Payments for the period 2 June 2011 to 1 December 2011

#### 1. Joint Administrators' Trading Receipts and Payments

Joint Administrators' Trading Account		
	From 02/06/2011 To 01/12/2011	From 02/12/2008 To 01/12/2011
<b>POST APPOINTMENT SALES</b>		
Post Appointment Management Recharges	NIL	230,486 00
Euro Insurance Commissions	NIL	68,359 95
	NIL	298,845 95
<b>TRADING EXPENDITURE</b>		
Rents	NIL	42,265 60
Rates	NIL	8,120 50
Heat & Light	NIL	51 66
Telephone	NIL	4,100 40
D&O Insurance	NIL	11,758 56
Professional Fees	NIL	373,821 54
SPV Audit Fees	NIL	20,215 00
Payroll Services	NIL	1,250 00
Postage	NIL	10 80
IT Repairs & Maintenance	NIL	10,087 65
Office Expenses	NIL	83 94
India PAYE/NIC	NIL	7,322 04
India Net Wages	NIL	12,544 04
aAIM Infrastructure Net Wages	NIL	7,876 00
JCCO 114 Ltd PAYE/NI	NIL	25,219 27
JCCO 114 Ltd Net Wages	NIL	34,244 12
Infrastructure Employee Expenses	NIL	13,385 61
JCCO 114 Ltd Employee Expenses	NIL	75 98
	NIL	(572,432 71)
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>NIL</b>	<b>(273,586 76)</b>



## 2. Joint Administrators' Abstract of Receipts and Payments

Joint Administrators' Abstract of Receipts and Payments		
	From 02/06/2011 To 01/12/2011	From 02/12/2008 To 01/12/2011
<b>SECURED ASSETS</b>		
Bank Interest	145 23	(3,162 97)
Sale of Shares	-	147,755 30
Misc Fixed Receipts	-	7 97
	145 23	144,600 30
<b>COSTS OF REALISATION</b>		
Administrators Fees	-	186,976 75
Administrators Expenses	-	6,412 50
Legal Fees	13,546 52	29,012 72
Taunnestein Fees	-	87,341 78
Commitment Fees	-	76,399 57
Bank Charges	-	5,810 19
Trading Surplus/(Deficit)	-	84,541 36
	(13,546 52)	(476,494 87)
<b>SECURED CREDITORS</b>		
Fixed Charge Distribution Received from Floating Charge	-	225,000 00
Fixed Charge Account Contribution from Chargeholder	-	350,000 00
	-	575,000 00
<b>ASSET REALISATIONS</b>		
Skuduv Palace Loan Account	-	117,853 17
Book Debts		365,059 77
VAT Refund	-	446,200 44
Insurance Refund	-	4,894 70
Bank/ISA InterestGross	152 27	1,014 22
Euro Interest	-	17 27
Miscellaneous Refunds		8,705 05
Trading Surplus/(Deficit)	-	(189,045 41)
	152 27	754,699 22
<b>COST OF REALISATIONS</b>		
Specific Bond	-	352 00
Administrators Fees	-	186,976 75
Administrators Expenses	-	6,589 17
VAT irrecoverable	0 18	5,095 14
Euro Account Funds Transfers	-	(785 74)
Agents/Valuers Fees (1)	-	1,778 40
Legal Fees (1)	-	1 030 00
Professional Fees	-	2,750 00
Corporation Tax	-	228 90
Storage Costs		943 30
Re-Direction of Mail	-	722 10
Statutory Advertising	-	420 00
Secure IT Disposal	-	195 00
Insurance of Assets	-	840 11
Euro Account Bank Charges	-	240 90
DTI Unclaimed Dividends	-	(687 67)
	(0 18)	(206,688 36)

<b>PREFERENTIAL CREDITORS</b>		
Employee Arrears/Hol Pay	-	15,787 92
	-	(15,787 92)
<b>FLOATING CHARGE CREDITORS</b>		
Floating Charge Creditor	-	225,000 00
	-	(225,000 00)
	(13,249 20)	550,328 37
<b>REPRESENTED BY</b>		
Vat Receivable	-	-
Floating Charge Current Account	307,387 81	-
Fixed Charge Current Account	243,475 31	-
Fixed Charge Vat Receivable	-	-
Office	(534 75)	-
Vat Payable	-	-
		550,328.37