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COMPANIES HOUSE

To the creditors and members

30 September 2016

Dear Sirs

Recovery and Reorganisation

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester M3 3EB

T +44 (0)161 953 6900
F +44 (0)161 953 6901
www.grant-thornton.co.uk

**Aims International Limited - In Liquidation ("the Company")
In the High Court of Justice No 2799 of 2012**

1 Introduction

1.1 Following my appointment as joint liquidator of the Company with Ian Richardson on 15 August 2012 in accordance with rule 4.49B of the Insolvency Rules 1986, I now report on the progress of the liquidation for the year ended 14 August 2016 and attach

- Appendix A, an account of our receipts and payments for the year ended 14 August 2016
- Appendix B, a statement of the remuneration charged by the joint liquidators in the period to 14 August 2016 and a statement of expenses incurred in the period
- Appendix C, an analysis of time costs as required by Statement of Insolvency Practice 9
- Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator (rule 4.49E)
- Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive (rule 4.131)

1.2 Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners and are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

2 Statutory information

2.1 The Company's statutory details are as follows

Registered number 07217569

Registered office 4 Hardman Square, Spinningfields,
Manchester, M3 3EB

3 Progress report

3.1 According to the Official Receiver's report to creditors, the Company had no assets with realisable value as at the date of liquidation

3.2 As you are aware from previous reports, I identified potential claims against the directors of the Company and an associated company totalling £778,247. I instructed legal advisers and a letter before action was sent to the directors and associated company in December 2012

Chartered Accountants

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- 3 3 Following protracted negotiations, a settlement of claims was agreed at £664,800 plus a waiver of certain claims in the liquidation of the Company, to be settled by monthly instalments over the following three years. Repayment was secured by a debenture over the associated company's assets. As at 14 August 2016, I have received instalments totalling £313,724 94
- 3 4 The associated company has since gone into creditors' voluntary liquidation with Andrew Stephen McGill and Matthew Dunham, of Smith and Williamson LLP, being appointed as joint liquidators on 18 July 2016. The statement of affairs records the associated company's net assets at £2,660. In the circumstances, no further realisations are anticipated in the liquidation.

4 Creditors

- 4 1 According to the Official Receiver's report to creditors, there are no preferential creditors and unsecured creditor claims total approximately £1,578,228. Wey Bridging Limited was included in the report with a claim of £500,000. However, the liquidator of Wey Bridging Limited subsequently agreed to withdraw the claim.
- 4 2 Unsecured creditor claims were agreed at £959,886 76. Dividends that have been paid or are due to be paid to creditors are as follows:

Date	Pence in the £	Amount paid £
8 October 2014	2 983	28,636 36
6 May 2015	3 125	30,000 00
16 December 2015	1 903	18,272 73
Total in Appendix A paid to 14 August 2016	8 011	76,909 09
Final dividend 5 September 2016	1 242	11,925 00
Total	9.253	88,834 09

5 Joint liquidators' remuneration and expenses

- 5 1 On 31 January 2014 the creditors resolved that the remuneration of the joint liquidators be calculated according to the time properly spent by the joint liquidators and their staff in attending to matters arising in the liquidation at rates notified to creditors periodically, subject to 100% success fee to reflect the contingent nature of realisations. The joint liquidators subsequently agreed with the principal creditor to cap the joint liquidators' fees at £250,000.

- 5.2 In accordance with Statement of Practice 9, I attach Appendix C, a table showing total time costs of £184,255.60 to 14 August 2016. Time costs of £18,186.50 incurred in the year ended 14 August 2016 are disclosed in Appendix B. The joint liquidators have drawn remuneration totalling £104,585 of which £10,585 was drawn in the period to 14 August 2016.
- 5.3 In addition, the joint liquidators have incurred expenses of £3,167.22, as indicated at Appendix B, of which £3,032.90 have been billed to date.
- 5.4 Time is charged in units of 6 minutes. Background information regarding the fees of liquidators can be found at https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees_Oct_2015.pdf. Alternatively, I will supply this information by post on request.
- 5.5 The hourly charge out rates used in calculating time costs for the current and prior period are as follows:

	£
Partners up to	615
Directors up to	515
Managers up to	470
Other senior professional up to	305
Administrators up to	230
Assistants and support staff up to	175

6 Other expenses incurred by the joint liquidators

- 6.1 As mentioned above, legal advisers have been instructed in respect of the claims identified against the directors of the Company and an associated company. Costs incurred amount to £75,942.48 of which £62,551.53 has been paid to date.

Yours faithfully
for and on behalf of Aims International Limited


Kevin J. Holland
Joint Liquidator

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A Abstract of the joint liquidator's receipts and payments in the period to 14 August 2016

Summary of receipts and payments from 15 August 2012 to 14 August 2016

	From 15/08/2012 to 14/08/2015 £	From 15/08/2015 to 14/08/2016 £	Total £
Receipts			
Settlement	278,724 94	35,000 00	313,724 94
Tax Refund	-	21 84	21 84
Maven Funding	24,000 00	-	24,000 00
Bank Interest	24 99	-	24 99
Bank/ISA InterestGross	109 12	114 94	224 06
	302,859 05	35,136 78	337,995 83
Payments			
Bank Charges	57 60	-	57 60
Advertising	84 60	-	84 60
Maven Funding	24,000 00	-	24,000 00
O R Remuneration	1,070 00	-	1,070 00
ISA Account Fees	264 00	88 00	352 00
DTI Cheque Fees	6 05	3 60	9 65
Secretary of State Fees	36,839 61	6,228 07	43,067 68
Liquidators Fees	94,000 00	14,575 00	108,575 00
Liquidators Expenses	3,032 90	-	3,032 90
Legal Fees	56,332 53	6,219 00	62,551 53
Tax on Interest	21 82	22 99	44 81
Petitioning creditor costs	5,000 00	-	5,000 00
Unsecured creditors (All)	58,636 36	18,272 73	76,909 09
	279,345 47	45,409 39	324,754 86
Net Receipts/(Payments)	23,513 58	- 10,272 61	13,240 97

B Remuneration charged and expenses incurred by the joint liquidators in the period to 14 August 2016

	Incurred in period 15/08/2015 to 14/08/2016	Total incurred from 15/08/2012 to 14/08/2016	Of which paid to 14/08/2016
			£
Joint liquidators' fees	18,186 50	184,255 60	104,585 00
Time costs			
Expenses			
Travel and subsistence	32 80	1,568 36	1,535 56
Searches	Nil	1,279 84	1,279 84
Land Registry	Nil	121 00	121 00
Statutory Advertising	Nil	178 02	76 50
Bonding	Nil	20	20
Total Expenses	32.80	3,167.22	3,032.90
Legal fees & Disbursements			
Gateley LLP	18,546 65	75,942 48	62,551 53

C SIP 9 information

Standard	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	31 05	18,845 25	149 8	53,584 75	117 72	29,018 95	38 95	8,505 35	338 52	107,754 3
Creditors			13 85	5,741 75	5 25	1,395	14 6	2 297	33 7	9 433 75
Hiatus period										
Investigations	01	5 8	65 9	21,033 25	119	26,822 5	7 9	1 253	192 81	49,114 55
Pensions			2	95			9	139 5	11	234 5
Realisation of Assets			37 45	15,569 5					37 45	15,569 5
Taxation			2 25	808	1 4	367	8 9	974	12 55	2,149
Trading										
Total	31 06	18,651 05	269 45	96,832 25	243 37	57,603 45	72 25	11,168 85	616 13	184,255 6
										299 05

Activity	Examples of work
Administration and planning	Case planning, Administrative set-up, Appointment notification, Maintenance of records, Case review, Statutory matters including bond notification and calculation, Reports, Cashiers duties
Creditors	Creditors Correspondence with unsecured creditors, Receiving and scheduling claims, Paying dividend to unsecured creditors
Investigations	Obtaining, reviewing and analysing Company books and records including electronic accounting data, Analysis of bank statements, Interviewing the financial controller, Research into the directors and connected parties of the Company, and Liaising with the Official Receiver
Legal	Reviewing letter before action and preparing draft exhibit, Liaising with legal advisers, Settlement negotiations

D 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

E 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