

2235643

In the matter of

Aldino Properties Limited in Liquidation ('the Company')

Liquidator's Annual Progress Report

28 April 2017

Adrian David Allen

Liquidator

RSM Restructuring Advisory LLP

**Asset House
28 Thorpe Wood
Peterborough
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1 Purpose of report

This report has been prepared in accordance with insolvency legislation to provide creditors and the member of the Company with information relating to the progress of the Liquidation in the period from 4 March 2016 to 3 March 2017. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of Rule 4.49B of the Insolvency Rules 1986 (as amended). The purpose of the report is to provide creditors and the member's estate with information relating to the progress of the Winding Up. It has not been prepared for use in respect of any purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

Neither the Liquidator nor RSM Restructuring Advisory LLP, accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

2 Liquidator's appointment

Adrian David Allen of RSM Restructuring Advisory LLP, Asset House, 28 Thorpe Wood, Peterborough, PE3 6SR was appointed Liquidator of Aldino Properties Limited on 4 March 2014 by The Secretary of State.

3 Liquidator's receipts and payments summary

The Liquidator sets out in Appendix B a summary of his receipts and payments for the period from 4 March 2016 to 3 March 2017 together with cumulative figures for the period.

VAT basis

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

4 Creditors' claims

Creditors' claims as set out in the Statement of Affairs totalled £40,023 and comprised monies owed to four creditors including HM Revenue & Customs and utility providers. To date the Liquidator has been advised of four unsecured creditors' claims totalling £39,968. There is likely to be a claim from the Receiver appointed by Lloyds Bank Plc to sell the leasehold property as set out in section 5.1 below.

4.1 Dividend prospects for creditors

Dividend prospects and projected returns to creditors, where known, are set out in Appendix A. Please note that these are indicative only and should not be used as the sole or principal basis for any bad debt provision or other purposes. They will be subject to revision and additional costs.

4.2 Prescribed part

The 'Prescribed Part' is a statutory amount of the Company's assets subject to a floating charge to be set aside for the benefit of the Company's non-preferential creditors.

There are no creditors secured by charges over the assets and undertakings of the Company created on or after 15 September 2003. There is therefore no requirement to estimate the amount of the Prescribed Part of the assets under Section 176A of the Insolvency Act 1986 (as amended).

5 Conduct of the winding-up in the previous twelve months

5.1 Realisation of assets

Leasehold property

By way of reminder, the Company owns the sub-lease to the plot of land housing units 1-11 Leyland Close, Fison Way Industrial Estate, Thetford, Norfolk, IP24 1XA ("the Property"). The 11 units are light industrial warehouse units, 9 of which were tenanted on appointment.

At the date of appointment the Bank detailed their intention to appoint a Law of Property Act 1925 Receiver ("the Receiver") in respect of the Property over which they had the benefit of a debenture created on 5 March 1998. The Receiver was duly appointed on 19 March 2014.

As a result of the appointment of the Receiver, the Company's interest in the Property has effectively been removed subject to the receipt of any surplus funds upon its eventual sale and following the satisfaction of the Bank's debt. Accordingly, all matters in relation to the Property are being dealt with by the LPA Receiver and not the Liquidator.

It is currently unlikely that there will be surplus due to the Company following the Property's sale and the redemption of the Company's indebtedness to the Bank. However based on current information it is estimated that the Bank are likely to suffer a shortfall on the sale of the Property.

Director's loan account

The director's Statement of Affairs detailed an amount owing to the Company in the sum of £117,299. This amount was realised in full during the period.

Other realisations

Bank interest has realised net funds of £2 in the period.

The Liquidator has received a refund of £317 in respect of interest incorrectly charged on the Company's fixed rate treasury loan. In addition a further £188 of bank interest was received representing interest at 8% per annum upon the refund.

5.2 Investigations

In accordance with my statutory obligations, the Liquidator has filed the appropriate documentation with the Department for Business, Energy and Industrial Strategy in relation to the conduct of the director.

The Liquidator can advise you that, following his initial assessment, no further investigations were deemed necessary.

5.3 Administration and planning

Along with the conduct and progress of the Liquidation, as detailed above, the Liquidator and his staff have also undertaken the following since the date of appointment:

- Statutory filing of appointment documents at Companies House.
- Securing the Company's books and records.
- Case planning and strategy.
- Maintaining a bank account with the Insolvency Service.
- Handling receipts and payments where appropriate.
- Correspondence and communications with the director and his representatives.
- Drafting and circulation of the annual progress reports.
- Computing and submitting HM Revenue & Customs returns as appropriate.

6 Matters preventing closure

6.1 Assets remaining to be realised

There are no assets remaining to be realised.

6.2 Other outstanding matters

Following the realisation in full of the director's loan account, the Liquidator will need to see the result of the Receiver's actions as to whether there is a likely shortfall following a sale of the leasehold property.

The claims of unsecured creditors will be reviewed and agreed thereafter as appropriate.

7 Liquidator's remuneration, disbursements and expenses

7.1 Basis of remuneration

The Liquidator's remuneration was approved on a time costs basis by creditors in general meeting on 11 June 2015 when the following resolution was passed:

"The Liquidator shall be authorised to draw his remuneration based upon his time costs by reference to the time properly given by the Liquidator and his staff, in attending to matters arising in the Liquidation at Baker Tilly Restructuring and Recovery LLP standard hourly rates, at the rates prevailing at the time the work is done."

Approval was also given to the drawing of disbursements, including category 2 disbursements. Details of the current rates are set out in Appendix D.

7.2 Remuneration and disbursements incurred in the period from 4 March 2016 to 3 March 2017

In accordance with insolvency legislation the Liquidator is required to report remuneration 'charged'. This reflects the time charged to the case and is the maximum that can be taken in fees by the Liquidator. It does not necessarily reflect the amount of remuneration that will ultimately be taken by the Liquidator in remuneration. If there are insufficient realisations to allow the Liquidator's remuneration to be recovered in full, any balance will be written off. Details of any write off will be set out in the final report.

7.2.1 Liquidator's remuneration

The Liquidator has incurred time costs of £5,281 plus VAT in respect of work done in the current period (a summary of which is set out in Appendix F). No remuneration for the period covered by this report has been drawn by the Liquidator.

Attached are the following:

- Appendix C: RSM Restructuring Advisory LLP's charging, expenses and disbursements policy statement.
- Appendix D: Liquidator's charge out and disbursement rates;
- Appendix E: Liquidator's statement of expenses incurred;
- Appendix F: Liquidator's time costs analysis for the period set out above.

7.2.2 Liquidator's disbursements

The basis of the Liquidator's drawing disbursements was approved by creditors in general meeting on 11 June 2015, when the following resolution was passed:

"The Liquidator be authorised to draw 'category 2' disbursements out of the assets as an expense of the Winding Up, at the rates prevailing when the cost is incurred."

Disbursements incurred in the period in accordance with the resolution above are set out at Appendix E.

7.3 Total remuneration incurred and paid to date since appointment

The Liquidator has incurred time costs of £31,555 since the date of our appointment in accordance with the resolution set out above. Of this, a total of £nil has been paid and £31,555 remains outstanding.

Should you require any further information please do not hesitate to contact me at restructuring.peterborough@rsmuk.com.

7.4 Liquidator's statement of expenses

A statement of the expenses incurred during the period is set out in Appendix E. This includes all expenses incurred by the Liquidator in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments summary set out in Appendix B sets out the expenses actually paid in the period together with cumulative figures.

8 Creditors' right to information and ability to challenge remuneration and expenses

In accordance with the provisions of Rules 4.49E and 4.131 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses and are able to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the Liquidator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Guide to Liquidators Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at <http://rsm.insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

Should you have any further queries please do not hesitate to contact me.



A D Allen
RSM Restructuring Advisory LLP
Liquidator

Adrian David Allen is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

Appendix A

Statutory, dividend and other information

| | |
|-----------------------------|-------------------------------------------------------------|
| Company name: | Aldino Properties Limited |
| Company number: | 02235643 |
| Court & reference: | In the Bury St Edmunds County Court No. 12 of 2014 |
| Date of appointment: | 4 March 2014 |
| Liquidator: | Adrian David Allen |
| Date of incorporation: | 25 March 1988 |
| Previous company names: | None |
| Trading name: | Aldino Properties Limited |
| Trading address: | 1 Walton Way, Brandon, Suffolk, IP27 0HP |
| Principal activity: | Real Estate, Renting and Business Activities |
| Registered office: | Asset House, 28 Thorpe Wood, Peterborough, PE3 6SR |
| Previous registered office: | Connaught House, 75 High Street, Brandon, Suffolk, IP27 0AU |

| Dividends | Owed | Paid | Estimated future prospects |
|-------------------------------------------------------------|----------|------|-----------------------------------------------------------------------------------------------------|
| Secured creditor: Lloyds Bank Plc | £214,185 | £nil | Dependent upon the realisations achieved following the sale of the Property by the Bank's Receiver. |
| Preferential creditors | £n/a | £n/a | £n/a |
| Unsecured creditors | £39,968 | £nil | Currently unknown |
| Estimated net property | £n/a | | |
| Estimated prescribed part available for unsecured creditors | £n/a | | |

Appendix B

Liquidator's receipts and payments summary for the period 4 March 2016 to 3 March 2017

| Statement of Affairs Value £ | 4 March 2016 to 3 March 2017 | | 4 March 2014 to 3 March 2017 | |
|------------------------------------------------|------------------------------|------------------|------------------------------|------------------|
| | £ | £ | £ | £ |
| ASSETS SUBJECT TO FIXED CHARGE | | | | |
| Uncertain Leasehold Property | 0.00 | | 0.00 | |
| (214,185) Less: amounts due to Lloyds Bank plc | 0.00 | | 0.00 | |
| <u>(214,185)</u> | | 0.00 | | 0.00 |
| ASSET REALISATIONS | | | | |
| Bank Interest Received | 189.52 | | 195.82 | |
| 117,299 Director's Loan Account | 117,299.00 | | 117,299.00 | |
| Insurance Recharges | 0.00 | | 123.28 | |
| Pre-Appointment Bank Charges | 0.00 | | 26.47 | |
| Refund of Interest from Lloyds Bank plc | 371.49 | | 371.49 | |
| Rent Received | 0.00 | | 6,567.81 | |
| Service Charges | 0.00 | | 14.59 | |
| <u>117,299</u> | | 117,860.01 | | 124,598.46 |
| COST OF REALISATIONS | | | | |
| Agent's Management Commission | 0.00 | | (324.90) | |
| Corporation Tax | (5,106.40) | | (5,774.61) | |
| Corporation Tax Interest | (100.02) | | (100.02) | |
| Ground Rent | 0.00 | | (1,125.00) | |
| Insurance | 0.00 | | (545.25) | |
| ISA Cheque Fees | (0.15) | | (3.45) | |
| ISA Quarterly Charges | (88.00) | | (264.00) | |
| Legal Disbursements | 0.00 | | (1.00) | |
| Legal Fees | 0.00 | | (294.00) | |
| Official Receiver's Fees | 0.00 | | (2,235.00) | |
| Petitioners Costs | 0.00 | | 1,165.00 | |
| Secretary of State Fees | (18,209.14) | | (20,371.49) | |
| Service Charges (On Account) | 0.00 | | (199.56) | |
| | | (23,503.71) | | (30,073.28) |
| | | <u>94,356.30</u> | | <u>94,525.18</u> |
| REPRESENTED BY | | | | |
| Insolvency Service Account (ISA) | | | 94,739.10 | |
| VAT Payable | | | (213.92) | |
| | | | | <u>94,525.18</u> |
| | | | | <u>94,525.18</u> |

Appendix C

RSM Restructuring Advisory LLP's charging, expenses and disbursements policy statement

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
- The current charge rates for RSM Restructuring Advisory LLP Peterborough are set out in Appendix D.
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A resolution to consider approving category '1' disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Peterborough was agreed by creditors in General Meeting on 11 June 2015.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.

Appendix D

Liquidator's current charge out and disbursement rates

| Hourly charge out rates | | |
|---------------------------------|----------------------------|--------------------|
| | Rates at commencement £ | Current rates £ |
| Partner | 390 | 480 |
| Directors / Associate Directors | 235 to 370 | 330 to 385 |
| Manager | 135 to 265 | 245 to 290 |
| Assistant Managers | 190 | 245 |
| Administrators | 50 to 185 | 75 to 220 |
| Support staff | 110 | 60 to 135 |

| Category 2 disbursement rates | |
|-------------------------------|-----------------------------------------------------|
| Internal room hire | £165 |
| Subsistence | £25 per night (from 3 rd September 2013) |
| Travel (car) | 42.5p per mile (from 1 April 2011) |
| 'Tracker' searches | £10 per case |

Appendix E

Liquidator's statement of expenses incurred in the period from 4 March 2016 to 3 March 2017

| Type and Purpose | Incurred in Period £ | Paid in Period £ |
|----------------------------------|----------------------------|------------------------|
| <i>Third Party Disbursements</i> | | |
| Corporation Tax | 5,106.40 | 5,106.40 |
| Corporation Tax Interest | 100.02 | 100.02 |
| ISA Cheque Fees | 0.15 | 0.15 |
| ISA Quarterly Charges | 88.00 | 88.00 |
| Secretary of State Fees | 18,209.14 | 18,209.14 |
| Total | <u>23,503.71</u> | <u>23,503.71</u> |

Appendix F

Liquidator's time costs analysis for the period from 4 March 2016 to 3 March 2017

| Hours Spent | Partners | Directors / Associate Directors | Managers | Assistant Managers | Administrators | Assistants & Support Staff | Total Hours | Total Time Costs | Average Rates |
|-------------------------------------|-----------------|---------------------------------|-------------------|--------------------|-------------------|----------------------------|-------------------|-------------------|---------------|
| Administration and Planning | | | | | | | | | |
| Case Management | 0.7 | 0.0 | 1.0 | 0.0 | 1.7 | 0.0 | 3.4 | £ 793.00 | 233.24 |
| Receipts and Payments | 0.0 | 0.0 | 0.5 | 0.0 | 3.1 | 0.2 | 3.8 | £ 749.50 | 197.24 |
| Tax Matters | 0.0 | 2.3 | 1.0 | 0.0 | 4.2 | 0.0 | 7.5 | £ 1,176.50 | 156.87 |
| Total | 0.7 | 2.3 | 2.5 | 0.0 | 9.0 | 0.2 | 14.7 | £ 2,719.00 | 184.97 |
| Realisation of Assets | | | | | | | | | |
| Assets | 0.0 | 0.0 | 2.7 | 0.0 | 0.2 | 0.0 | 2.9 | £ 637.50 | 219.83 |
| Debtors | 0.5 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.5 | £ 226.50 | 453.00 |
| Land and Property | 0.0 | 0.0 | 0.4 | 0.0 | 0.0 | 0.0 | 0.4 | £ 88.00 | 220.00 |
| Total | 0.5 | 0.0 | 3.1 | 0.0 | 0.2 | 0.0 | 3.8 | £ 952.00 | 250.53 |
| Creditors | | | | | | | | | |
| Other Creditor Meetings and Reports | 0.4 | 0.0 | 5.0 | 0.0 | 2.3 | 0.0 | 7.7 | £ 1,596.00 | 207.27 |
| Unsecured Creditors | 0.0 | 0.0 | 0.0 | 0.0 | 0.1 | 0.0 | 0.1 | £ 14.00 | 140.00 |
| Total | 0.4 | 0.0 | 5.0 | 0.0 | 2.4 | 0.0 | 7.8 | £ 1,610.00 | 206.41 |
| Total Hours | 1.6 | 2.3 | 10.6 | 0.0 | 11.6 | 0.2 | 26.3 | £ 5,281.00 | 200.80 |
| Total Time Costs | £ 705.50 | £ 575.00 | £ 2,372.00 | £ 0.00 | £ 1,606.50 | £ 22.00 | £ 5,281.00 | | |
| Average Rates | 440.94 | 250.00 | 223.77 | 0.00 | 138.49 | 110.00 | 200.80 | | |

Notes to Appendix F
Liquidator's time costs analysis

a) Administration and planning

This includes dealing with the commencement of the case administration, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations. These include but are not limited to: handling receipts and payments; VAT and Income tax issues; pension queries and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, maintenance and obtaining books and records, general meetings / correspondence, statutory and other advertising, insurance, re-directed mail, and statutory reports.

b) Realisation of assets

This includes dealing with all aspects of the realisation of assets including identifying, securing and insuring assets, and (where applicable), property, business and asset sales, retention of title claims and debt collection. Other matters dealt with during the case administration which will relate to asset realisation may commonly include effecting disclaimers, dealing with landlords, liaising with agents, undertaking inventories, meetings with purchasers / directors, arranging collection of leased assets, obtaining insurance, pursuing antecedent claims identified as part of the investigation work set out above. Details of the specific asset realisation work undertaken on this case are set out in the main body of the report. Asset realisation is considered to be a key aspect of the case administration.

c) Creditors

Queries from and correspondence with creditors have been necessary aspects of the case administration process. Reports to creditors are also an important part of ongoing matters relating to this aspect of the case.