

In accordance with
Rule 18.7 of the
Insolvency (England &
Wales) Rules 2016 and
Sections 92A, 104A and
192 of the Insolvency
Act 1986.

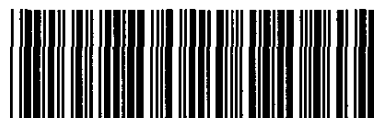
LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



A22 *A7F254FL* 22/09/2018 #167
COMPANIES HOUSE

1 Company details

Company number 2 8 6 9 9 1 2
Company name in full Airedale Environmental Services Ltd

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

2 Liquidator's name

Full forename(s) Kevin J
Surname Hellard

3 Liquidator's address

Building name/number 30 Finsbury Square
Street
Post town London
County/Region
Postcode E C 2 P 2 Y U
Country

4 Liquidator's name ①

Full forename(s)
Surname

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

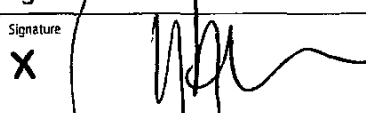

5 Liquidator's address ①

Building name/number
Street
Post town
County/Region
Postcode
Country

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

LIQ03

Notice of progress report in voluntary winding up

6		Period of progress report														
From date	d	2	d	3	m	0	m	7	y	2	y	0	y	1	y	7
To date	d	2	d	2	m	0	m	7	y	2	y	0	y	1	y	8
7		Progress report														
		<input checked="" type="checkbox"/> The progress report is attached														
8		Sign and date														
Liquidator's signature	Signature															
Signature date	d	2	d	0	m	0	m	9	y	2	y	0	y	1	y	8

LIQ03

Notice of progress report in voluntary winding up

**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	Natasha L McDowall
Company name	Grant Thornton UK LLP
Address	30 Finsbury Square
Post town	London
County/Region	
Postcode	E C 2 P 2 Y U
Country	
DX	
Telephone	0161 953 6900

**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

Our ref: KJH/ZLC/BLA/LKG/A00848/7

To the creditors and members

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 6317

5 September 2018

Dear Sir / Madam

Airedale Environmental Services Ltd - In Liquidation (the Company)**1 Introduction**

- 1.1 I was appointed joint liquidator of the Company, together with Stephen Hunt of Griffins Insolvency Practitioners LLP (Griffins) by Order of the High Court of Justice on 8 March 2013 in place of Mr Costas Morfakis of Axiom Recovery LLP (Axiom). Mr Morfakis had been appointed as liquidator on 23 July 2012, having been previously appointed administrator on 27 February 2012.
- 1.2 Please note that Mr Hunt resigned as joint liquidator on 27 November 2013 and I remain in office as sole liquidator.
- 1.3 In accordance with section 104A of the Insolvency Act 1986 I now report on the progress of the liquidation for the year ended 22 July 2018 and attach:
 - Appendix A, an account of my receipts and payments for the year ended 22 July 2018 and also for the whole liquidation to date
 - Appendix B, a statement of the remuneration charged by the liquidator in the period 23 July 2017 to 22 July 2018 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 (England and Wales) Rules 2016 relating to creditors' rights to request additional information from the liquidator (rule 18.9)
 - Appendix E, an extract from the Insolvency (England and Wales) Rules 2016 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive (rule 18.34).
- 1.4 Please note that I am authorised by the Insolvency Practitioners Association to act as an insolvency practitioner. I am 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 registered number is 02869912.

3 Progress report

Assets

Sale of the Company's business and assets

- 3.1 As previously reported, the Company's business and assets were sold to Airedale ES Limited (the Purchaser) for £60,066 by Mr Morfakis and payment was guaranteed by the Company's former director, Mr Philip Ayres.
- 3.2 Following my appointment only £1,500 was paid in this respect and Harrison Clarke Rickerbys Limited (HCR), was appointed to assist in recovering the balance due. A Judgement Order was made against the Purchaser and Mr Ayres, together the Defendants, dated 5 June 2014 for £49,337. The Defendants have failed to make payments under the terms of the Order, with only £2,850 received during the period of this report. Funds of £26,037 remain outstanding, together with costs of £3,980.
- 3.3 As previously reported, charging orders were obtained over two properties jointly owned by Mr Ayres. Evidence was provided that one of the properties was in negative equity and I consented to release the charge on this property. My solicitor has obtained an order for sale in respect of the other property. Mr Ayres has indicated that he wishes to remortgage the property to obtain funds to pay off the debt in full. In the event that Mr Ayres fails to raise funds, it is expected that there will be sufficient equity in the property to pay the amounts due in full.

Investigations

Bond Claim

- 3.4 Insolvency practitioners are obliged to obtain an insurance policy when taking insolvency appointments up to the value of the assets within the estate, to cover any fraudulent or dishonest conduct of the officeholder.
- 3.5 I had now submitted a detailed claim in relation to sale of assets at an undervalue and excessive fees drawn in the administration by Mr Morfakis. The surety instructed loss adjusters to adjudicate on the claim. At a settlement meeting, the loss adjusters indicated that they were not willing to recommend that the insurers make any offer in respect of this case. I considered that there was no realistic prospect of any benefit to creditors from challenging the insurer's position and, accordingly, the bond claim has been withdrawn.

4 Liabilities

Secured Creditors

- 4.1 Three legal mortgages are registered against the Company in favour of HSBC Bank plc (the Bank), however, there is no evidence that there is any liability to the Bank.

Preferential and Unsecured Creditors

- 4.2 Mr Morfakis' last report to creditors stated that there were no preferential creditors and unsecured creditors' claims totalled £457,380.
- 4.3 To date, I have received unsecured creditor claims totalling £463,878.
- 4.4 Between 8 January 2010 and 1 September 2011 the Company had been in a Company Voluntary Arrangement (CVA) of which Mr Andrew Rosler of Ideal Corporate Solutions was Supervisor. The CVA was terminated because the company did not pay the contributions due under the terms of the CVA. It appears that most of the creditors in the CVA were not shown as creditors by Mr Morfakis in the administration and liquidation.
- 4.5 The prospects of a dividend will be dependent on recovery of the sale consideration.

5 Liquidator's remuneration and expenses

- 5.1 Office holders are obliged to provide creditors with information pertaining to fees and expenses drawn from the estate over which they are appointed.

Axiom

- 5.2 At a meeting of creditors on 3 May 2012 in the administration, creditors passed a resolution that the remuneration of the administrator be fixed on a time costs basis, under Rule 4.127(5A) of the Insolvency Rules 1986, this basis carries over into the liquidation.
- 5.3 Mr Morfakis drew liquidator's fees of £7,000 in respect of the above resolution.
- 5.4 I have not recovered time-recording information in respect of Mr Morfakis' period in office and so I am unable to provide the information required by SIP 9 in respect of his time costs.
- 5.5 Expenses of £937 were paid during my appointment as liquidator as indicated at Appendix A.

Griffins

- 5.6 Mr Hunt incurred time costs of £17 up to the date of his resignation, as indicated at Appendix C.

Grant Thornton UK LLP

- 5.7 At a meeting dated 11 September 2013 creditors approved the following resolution:
"That the basis of the liquidator's remuneration be agreed by reference to the time properly given by the liquidator and their staff in attending to matters arising in the liquidation."
- 5.8 You will note from the SIP 9 table attached at Appendix C that my time costs to date are £76,878 and from the receipts and payments account attached at Appendix A, that I have drawn fees of £5,000.
- 5.9 Time costs of £12,886 have been incurred in the period as detailed below.

Administration and planning

- 5.10 This work involved meeting statutory obligations including statutory reporting, filing statutory documents at Companies House, carrying out case reviews, maintaining records and managing the liquidation bank account. It also included drafting reports to creditors, corresponding with solicitors and planning the case strategy by way of internal discussions. This work is mandatory and is of no financial benefit to the creditors.

Creditors

- 5.11 Time incurred was in respect of corresponding with creditors and producing creditor reports. Although the work undertaken is not of financial benefit to creditors, it is a statutory obligation.

Investigations and Realisation of Assets

- 5.12 This time has been incurred in respect of reviewing the bond claim and company records, corresponding with the loss adjusters in respect of the bond claim and corresponding with solicitors regarding claims against Mr Ayres and charging orders over properties. This work is of potential financial benefit to creditors as it may result in realisations to the estate.

Pensions

- 5.13 This work included liaising with Pensions Regulator and pension schemes in addition to reviewing pension reporting requirements. Although the work undertaken is not of financial benefit to creditors, it is a statutory obligation.

Realisation of Assets

- 5.14 This work included corresponding with loss adjusters regarding the bond claim, reviewing the bond claim and potential settlement offer as well as liaising with solicitors regarding claims against Mr Ayres. This work is of potential financial benefit to creditors as it may result in realisations.

Taxation

- 5.15 Time was incurred in respect of statutory work relating to corporation tax and correspondence with HM Revenue & Customs. This time has not been of financial benefit to creditors, but is a statutory requirement.
- 5.16 Background information regarding the fees of liquidators can be found at [https://www.r3.org.uk/media/documents/publications/professional/Guide to Liquidators Fees - April 2017.pdf](https://www.r3.org.uk/media/documents/publications/professional/Guide%20to%20Liquidators%20Fees%20April%202017.pdf). Alternatively, I will supply this information by post on request free of charge.
- 5.17 In addition, I have incurred expenses of £116 in respect of courier charges, Experian searches and Land Registry searches as indicated in Appendix C, of which £77 has been drawn as indicated in Appendix A.

6 Other expenses incurred by the liquidator

- 6.1 As stated above the current liquidators instructed HCR to assist in recovering the sum due from the Purchaser and Mr Ayres. HCR has incurred time costs of £13,771 during the period of this report, which has not yet paid as shown in Appendix B.
- 6.2 HCR has also incurred disbursements of £1,374 which include £1,250 of counsel fees, £121 of Court fees and £3 of research fees. Of these amounts £1,250 has been paid, as disclosed at Appendices A and B.
- 6.3 These time costs and disbursements have been incurred in respect of the work described at Paragraph 3.

7 Data protection

- 7.1 Any personal information held by the company will continue to be processed in accordance with completing the liquidation of the company and in accordance with meeting our requirements under applicable Data Protection Legislation/law in the United Kingdom.

Yours faithfully

for and on behalf of Airedale Environmental Services Ltd



pp Kevin J Hellard
Liquidator

Enc

A Abstract of the joint liquidators' receipts and payments**From 23 July 2012 to 22 July 2018**

	Former Liquidator From 23-Jul-12 To 08-Mar-13 £	Current Liquidator From 09-Mar-13 To 22-Jul-17 £	Current Liquidator From 23-Jul-17 To 22-Jul-18 £	Total £
Receipts				
Goodwill & Intellectual Property	5,600.00			
Money from administration	2,480.00			
Bank interest gross	1.00			
Sale of business and assets		21,950.00	2,850.00	24,800.00
VAT Refund		850.00		850.00
Bank/ISA Interest Gross *		23.96		23.96
	8,081.00	22,823.96	2,850.00	25,673.96
Payments				
Specific bond	45.00			
Liquidator's fees	7,000.00			
Statutory advertising	131.00			
Agents/valuers fees	35.00			
Unknown payment	870.00			
Former Office Holder Expenses		937.08		937.08
Liquidators Fees		5,000.00		5,000.00
Liquidators Expenses		76.61		76.61
Legal Fees		5,000.00		5,000.00
Legal expenses		1,778.00	1,250.00	3,028.00
Statutory Advertising		84.60		84.60
Vat Receivable			250.00	250.00
	8,081.00	12,876.29	1,500.00	14,376.29
Net Receipts/(Payments)	-	9,947.67	1,350.00	11,297.67
Made up as follow				
Floating Current Account - NIB		2,311.46	-	2,311.46
Held by HCR		7,636.21	1,350.00	8,986.21
		9,947.67	1,350.00	11,297.67

Figures for the previous liquidator's period in office (23 July 2012 to 8 March 2013) have not been verified.

* Includes £23.01 interest received in September 2016 that was undeclared in the previous annual report

B Remuneration charged and expenses incurred by the liquidator in the period

	Charged/incurred in period 23/07/2017 to 22/07/2018	Cumulative charged/incurred to 22/07/2018	Of which paid to 22/07/2018
	£	£	£
Liquidators' fees:			
Grant Thornton UK LLP			
Time Costs	12,886	76,878	5,000
Expenses	-	116	77
Griffins			
Time costs	-	17	-
Legal fees:			
Harrison Clarke Rickerbys Limited			
Time Costs	13,771	42,221	5,000
Expenses	1,374	3,152	3,028
Statutory Advertising	-	85	85
TOTAL	28,031	122,469	13,190

C SIP 9 information**Introduction**

The following information is provided in connection with the liquidators' remuneration and disbursements in accordance with Statement of Insolvency Practice 9.

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown below. Tasks are allocated to staff at the appropriate level. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

Grant Thornton UK LLP

Current rates from 1 October 2017	£
	up to
Partner	580-650
Director	480-545
Associate director	455-520
Manager	310-465
Assistant manager/Executive	170-300
Administrator	120-235
Support staff/Treasury	75-175

Griffins**Current rates from 1 October 2017**

Partners	400-565
Senior Managers	420-450
Managers	330-420
Other Senior Professionals	245-395
Administrators	150-330
Cashiering	100-275
Support & Other Specialists	70-200

Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at 45p a mile. VAT is added to disbursement charges as necessary.

Time Entry - SIP9 Time & Cost Summary

AIRE01 - Airedale Environmental Services Limited
 Project Code: POST
 From: 08/03/2013 To: 27/11/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.00	0.00	0.00	0.08	0.08	16.67	200.04
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Legal & Litigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.00	0.00	0.00	0.08	0.08	16.67	200.04
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Airedale Environmental Services Ltd - In Liquidation - A30200848 - SIP 9 TIME COST ANALYSIS

Transaction period : 23/07/2012 to : 22/07/2018

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning	8.16	4,436.95	18.67	7,446.90	56.56	14,862.70	29.94	4,901.75	113.33	31,648.30
Creditors					1.35	335.00	1.80	288.00	3.15	623.00
Hiatus period										
Investigations			12.10	4,566.50	102.00	27,069.50			114.10	31,636.00
Pensions			5.80	2,923.00	1.15	302.00	2.65	410.75	9.60	3,635.75
Realisation of Assets	.05	29.00	4.58	2,182.60	1.85	511.00			6.48	2,722.60
Taxation			5.85	2,568.50	7.25	1,881.50	17.95	2,162.00	31.05	6,612.00
Trading										
Total	8.21	4,465.95	47.00	19,687.50	170.16	44,961.70	62.34	7,762.50	277.71	76,877.65

Total fees billed to date (Time) : £ 5,000

Total fees billed to date (£) : £ 76,877.65

Airedale Environmental Services Ltd - In Liquidation - A30200848 - SIP 9 TIME COST ANALYSIS

Transaction period : 23/07/2017 to : 22/07/2018

	Partner		Manager		Executive		Administrator		Total	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£
Administration and Planning (incl statutory reporting)	1.30	761.00	1.26	560.70	4.25	1,200.00	8.60	1,390.00	15.41	3,911.70
Chargeholders (incl bank reporting)									.00	
Corporation Tax					1.50	450.00	.70	87.50	2.20	537.50
Hiatus period									.00	
Investigations and reports on directors			2.50	1,237.50	9.50	2,815.50			12.00	4,053.00
Legal			1.30	643.50	.40	120.00			1.70	763.50
PAYE and VAT			1.10	470.00	.50	123.00			1.60	593.00
Pensions			.70	357.00	.10	29.00			.80	386.00
Preferential creditors									.00	
Realisation of Assets: Debtors									.00	
Realisation of Assets: Other assets			4.48	2,151.60	1.10	330.00			5.68	2,481.60
Realisation of Assets:									.00	
Property plant vehicles etc (incl HP leasing and third party)									.00	
Realisation of Assets: Stock and WIP (incl ROT)									.00	
Sale of business									.00	
Trading							1.00	160.00	1.00	160.00
Unsecured creditors										
Total	1.30	761.00	11.34	5,420.30	17.35	5,067.50	10.30	1,637.50	40.29	12,886.30

Total fees billed to date (Time) : £ 5,000

253.84

444.73

337.76

449.12

370.83

482.60

244.32

319.84

160.00

Airedale Environmental Services Limited - In Liquidation
Costs incurred in the period 23 July 2017 to 22 July 2018

TASKS	Incurred to date		
	Av Hrly Rate	Hrs	£
STATUTORY AND ADMINISTRATIVE TASKS	274	17	4,685
Case planning			
Statutory obligations (e.g statutory returns)			
File and case reviews, including compliance			
Reports to creditors			
Bank account administration (treasury)			
Correspondence with solicitors			
Internal discussions			
Preparation for and attending meeting with insurers			
General administration			
CREDITORS	160	1	160
Creditor correspondence			
INVESTIGATION	338	12	4,053
Corresponding and meeting with forensic accountants			
Review company records			
Correspondence with asset manager regarding property			
Correspondence with solicitors			
Review debtor position			
Bond claim: drafting claim and updating			
PENSIONS	483	1	386
Liaising with the Pensions Regulator / Schemes			
Review pension reporting requirements			
REALISATION OF ASSETS	445	6	2,482
Correspondence with forensic accountants			
Review claim and settlement offer			
Correspondence with solicitors			
TAXATION	298	4	1,131
Tax compliance			
VAT compliance			
Correspondence with HM Revenue & Customs			
Internal discussions			
Total costs	320	40	12,896

D An extract from the Insolvency (England and Wales) Rules 2016 relating to creditors' rights to request additional information from the liquidator

Rule 18.9

- (1) The following may make a written request to the office-holder for further information about remuneration (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report or account under rule 18.14 -
 - (a) a secured creditor;
 - (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
 - (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
 - (d) any unsecured creditor with the permission of the court; or
 - (e) any member of the company in a members' voluntary winding up with the permission of the court.
- (2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report or account by the person, or by the last of them in the case of an application by more than one member or creditor.
- (3) The office holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by-
 - (a) providing all of the information requested;
 - (b) providing some of the information requested;
 - (c) declining to provide the information requested.
- (4) The office-holder may respond by providing only some of the information requested or decline to provide the information if-
 - (a) the time or cost of preparation of the information would be excessive; or
 - (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
 - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
 - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of –
 - (a) the office holder giving reasons for not providing all of the information requested; or
 - (b) the expiry of the 14 days within which an office-holder must respond to the request.
- (7) The court may make such order as it thinks just on an application under paragraph (6).

E An extract from the Insolvency (England and Wales) Rules 2016 relating to creditors' rights to challenge the liquidator's remuneration or expenses if excessive

Rule 18.34

- (1) *This rule applies to an application in an administration, a winding up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that-*
 - (a) the remuneration charged by the office-holder is in all the circumstances excessive;
 - (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
 - (c) the expenses incurred by the office-holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable-
 - (a) a secured creditor;
 - (b) an unsecured creditor with either-
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
 - (c) in a members' voluntary winding up-
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.
- (3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3 or final report or account under rule 18.14 which first reports the charging of remuneration or the incurring of the expenses in question ("the relevant report").