



Grant Thornton

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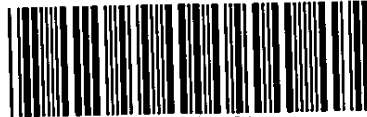
Our Ref NSW/IDM/JKI/CES/F00382/7
Your Ref

To the creditors and members

20 May 2014

Dear Sirs

SATURDAY



QIQ 24/05/2014 #43
COMPANIES HOUSE

Recovery and Reorganisation

Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

T +44 (0)20 7383 5100
F +44 (0)20 7184 4308
www.grant-thornton.co.uk

Finbow Wines Limited - In Liquidation High Court of Justice No 5500 of 2010

1 Introduction

1.1 Following my appointment as joint liquidator of the above company with David Ingram on 30 March 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 29 March 2014 and attach

- Appendix A, an account of our receipts and payments for the year ended 29 March 2014 and also for the whole liquidation to that date
- Appendix B, a statement of the remuneration charged by the joint liquidators in the period 30 March 2011 to 29 March 2014 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

2 Statutory information

2.1 The company's statutory details are as follows

Registered number 03785939

Registered office 30 Finsbury Square, London, EC2P 2YU

3 Progress report

3.1 As previously advised, my investigations in relation to the affairs of the Company were placed on hold, as a result of the police obtaining a Restraint Order (RO) which effectively froze all Company assets

3.2 Following continued correspondence with the police to seek the RO to be varied or

Chartered Accountants

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discharged, the police have now confirmed that the RO was discharged by the Court on 21 October 2013 and I have therefore now completed a full review of the case

- 3 3 As I have previously reported, prior to receiving notice of the RO, I carried out initial investigations which included a manual forensic bank analysis and correspondence with several parties entering into large or unusual transactions with the Company. The sum of £17,798 was identified in the bank account held by the Company and in accordance with Section 432 of the Proceeds of Crime Act, I was entitled to claim a lien over Company assets and therefore drew these funds in respect of time costs and disbursements which were incurred in identifying and realising assets prior to the date I was made aware of the restraint order.
- 3 4 Based on the initial bank analysis, investigations and further correspondence with the police, it was evident that eleven payments made by the Company were to fake or 'front' Companies and eight other payments were identified of below £25,000 to various third party individuals. Due to the limited Company records provided by the director, I been unsuccessful in tracing the third party individuals. Therefore due to the nature and value of these payments I am unable to pursue these potential claims further.
- 3 5 Prior to receiving confirmation that the RO had been discharged, I was advised by the police that they were considering making an application to discharge or vary the RO but that they needed some further information in relation to payments made by the Company to an individual based in Hong Kong. Through my research and investigations into the individual, I was unable to trace a current address or assets held by or linked to them. Therefore these investigations were concluded and the RO remained in place until 21 October 2013.
- 3 6 I am currently further investigating three payments which total £134,457.43, two payments to individuals and one to a firm of agents.
- 3 7 If I am unable to identify cost effective claims to pursue in relation to these three payments I will look to progress the case to closing. Further information in this regard will be provided to creditors in my next report.

4 Creditors

- 4 1 There are no preferential creditors in this matter.
- 4 2 I have received unsecured claims totalling £1,623,522.
- 4 3 There are currently insufficient asset realisations to enable a dividend to be paid to creditors.

5 Joint liquidators' remuneration and expenses

- 5 1 On 29 June 2011 the creditors resolved that we draw our remuneration by reference to our time costs. You will note from the SIP 9 table attached at Appendix C that our time costs to date are £74,951.40. As previously advised, I have drawn fees of £14,476 plus VAT in accordance with the Proceeds of Crime Act. Time costs of £6,615 incurred in the period but not drawn as remuneration to date are disclosed in Appendix B.

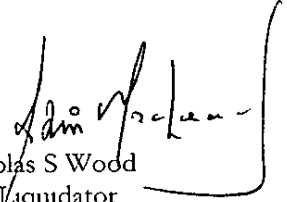
- 5.2 Time is charged in units of 6 minutes. Background information regarding the fees of liquidators can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively I will supply this information by post on request.

6 Other expenses incurred by the joint liquidators

- 6.1 Other expenses totalling £465.70 have been incurred by the joint liquidators and are set out in Appendix B. These expenses have to date been paid by Grant Thornton UK LLP. Now that the RO has been discharged the balance in hand will be applied to pay the Company's disbursements accordingly.

Should you require further information please contact David Martin on 020 7865 2878 or email david.p.martin@uk.gt.com

Yours faithfully
for and on behalf of Finbow Wines Limited


Nicholas S Wood
Joint Liquidator

Enc

Finbow Wines Limited - in liquidation
Summary of receipts and payments
from 30 March 2011 to 29 March 2014

	Statement of Affairs Per OR £	From 30/03/2011 to 29/03/2013 £	From 30/03/2013 to 29/03/2014 £	Total £
Receipts				
Cash at Bank	17,798 00	0 00	0 00	0 00
Misc Float Receipts		139 31	0 00	139 31
Bank/ISA InterestGross		9 58	3 11	12 69
Petitioners Deposit		1,000 00	0 00	1,000 00
		1,148.89	3.11	1,152 00
Payments				
O R Remuneration		217 50	0 00	217 50
ISA Account Fees		62 00	88 00	150 00
Secretary of State Fees		90 00	0 00	90 00
Tax on Interest		1 92	0 62	2 54
		371 42	88 62	460 04
Net Receipts/(Payments)		777 47	(85.51)	691 96
Made up as follows				
ISA - NIB 18/7/2013		777 47	(85 51)	691 96
		777 47	(85 51)	691.96

Note

B Remuneration charged and expenses incurred by the joint liquidators in the period

	Charged/incurred in period 30/03/2013 to 29/03/2014	Cumulative charged/incurred to 29/03/2014	Of which paid to 29/03/2014
	£	£	£
Joint liquidators' fees	6,614 61	74,951 40	14,476 40
Time costs			
Expenses			
Statutory Advertising -		152 10	-
Courts Advertising			
Travel expenses		66 90	-
Land Registry searches	87 00	195 00	-
Specific Bond – JLT	15 00	45 00	-
Storage charge		6 70	-
Total	6,716 64	75,417.10	14,476.40

SIP 9 WIP ANALYSIS	Partner		Manager		Senior Professional		Admin / Support		Total		Average
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hourly Rate
Administration and Planning	1 15	480 75	37 32	13 482 58	48 88	11 779 85	69 92	11 157 90	157 27	36 901 08	£ 234 64
Investigations	0 00	0 00	35 85	13 251 07	38 45	9 794 75	30 70	4 525 75	105 00	27 571 57	£ 262 59
Realisation of Assets	0 00	0 00	0 50	178 00	7 00	1 766 75	18 25	2 881 75	25 75	4 826 50	£ 187 44
Creditors	0 00	0 00	3 20	1 185 50	10 45	2 660 00	11 54	1 806 75	25 19	5 652 25	£ 224 38
Grand Total	1 15	480 75	76 87	28,097 15	104 78	26,001 35	130 41	20,372 15	313 21	74,951 40	£ 239 30

Remuneration paid to date £ 14,476 00

Administration & Planning Includes case planning statutory obligations (e.g. statutory returns) maintenance of cash and estate records general correspondence dealing with tax correspondence, and liaising with police regarding the Restraint Order (RO) and seeking to vary the RO

Investigations Includes investigation into Company's affairs and assets that may have been held prior to Liquidation

Realisation of Assets Includes realisation of property dealing with Solicitors and liaising with our agents

Creditors Includes correspondence with unsecured creditors

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 specify
 and 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