

LIQ03

Notice of progress report in voluntary winding up



Companies House

THURSDAY



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27/07/2017

#134

COMPANIES HOUSE

1 Company details

Company number 0 7 9 0 1 9 7 3

Company name in full Affinitus Renewable Energy Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Vincent John

Surname Green

3 Liquidator's address

Building name/number 4 Mount Ephraim Road

Street Tunbridge Wells

Post town Kent

County/Region

Postcode T N 1 1 E E

Country

4 Liquidator's name

Full forename(s) Mark

Surname Newman

Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number 4 Mount Ephraim Road

Street Tunbridge Wells

Post town Kent

County/Region

Postcode T N 1 1 E E

Country

Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 1	^d 8	^m 0	^m 6	^y 2	^y 0	^y 1	^y 6
To date	^d 1	^d 7	^m 0	^m 6	^y 2	^y 0	^y 1	^y 7

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 2	^d 0	^m 0	^m 7	^y 2	^y 0	^y 1	^y 7
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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	Joe Longhurst
Company name	CCW Recovery Solutions
Address	4 Mount Ephraim Road Tunbridge Wells
Post town	Kent
County/Region	
Postcode	T N 1 1 E E
Country	
DX	
Telephone	01892 700200



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

Affinitus Renewable Energy Limited (in Liquidation)
("the Company")

Joint Liquidators' Annual Progress Report to Members and Creditors for
the year ending 17 June 2017

Statutory Information

Company Name: Affinitus Renewable Energy Limited
Registered Number: 07901973
Registered Office: 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Former Registered Office(s): Unit C7 Spectrum Business Centre, Anthony's Way, Rochester, ME2 4NP
Joint Liquidators: Vincent John Green and Mark Newman
Liquidators' Address: 4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Date of Appointment: 18 June 2013

Period of the Report

This report covers the period from 18 June 2016, the third anniversary of the liquidation of the Company, to 17 June 2017.

Receipts and Payments Account

Our receipts and payments account for the period 18 June 2016 to 17 June 2017, which also shows the transactions for the whole period of the liquidation from 18 June 2013 to 17 June 2017 is attached at **Appendix I**.

We would provide additional comments as follows, regarding the receipts and payments relating to the period which this report covers.

Receipts

VAT Refund

According to the director's Statement of Affairs, a VAT refund in the sum of £8,906 was due payable to the Company. However, HMRC submitted a claim for VAT in the sum of £36,537 which was based on outstanding assessed returns.

The outstanding VAT returns were submitted to HMRC in August 2015. Following submission of the returns we regularly chased payment of the VAT refund from HMRC. Despite these efforts to recover the asset, it was only on 13 June 2016 that a telephone call was received from HMRC confirming that a refund had been approved. On 23 June 2016, a VAT refund in the sum of £21,316.63 was paid to the Company.

Preference Payments

Creditors will recall that payments were made from the Company's bank account in the period leading up to our appointment. Full explanations were provided by the Company's former accountant in regard to a number of our enquiries and there remained matters to be resolved.

In the period of this report, we have entered into correspondence with the directors concerned, being Mr Derek Dilks and Mr Aaron Wormald, and received offers of £5,000 from both directors, being in full and final settlement of the claims made.

On 10 October 2016 Mr Dilks paid the sum of £5,000 and on 31 October 2016 Mr Wormald paid an equal sum to the Company, being in full and final settlement of the claims made.

Other Assets

Affinitus Group Limited ("AGL")

As previously reported, according to my investigations, the sum of £50,737.63 is payable to the Company by AGL in respect of an inter-company loan. Demand for repayment was made and in response AGL stated that the Company is a creditor of AGL but provided no evidence of this counterclaim.

In the period of this report, Griffin Law LLP, being a firm of solicitors, were instructed to recover the balance of the loan account. AGL has since responded to the claim and we are in discussions with Griffin Law and AGL to finalise this matter.

So not to prejudice the outcome of our negotiations, we are unable to provide any further information to creditors at this stage. We would expect to provide further information with our next report to creditors.

Payments

At the initial meeting of creditors held on 18 June 2013 the following resolution was passed:

"That the costs of CCW Recovery Solutions LLP in connection with convening the meetings of shareholders and creditors, and assisting the directors with the preparation of their report and statements of affairs, approved by the directors in the sum of £5,000 plus VAT and disbursements be approved and paid as an expense of the Liquidation from the first available assets."

We confirm that these fees were paid in full following our appointment and are shown on the enclosed receipts and payments account.

Joint Liquidators' Fees

At the initial meeting of creditors held on 18 June 2013, the following resolution was passed in relation to the Joint Liquidators' on-going fees:

"That the Joint Liquidators' remuneration be fixed by reference to the time properly given by the Joint Liquidators and their staff in attending to matters arising in the winding up, and that the Joint Liquidators may draw remuneration on account from time to time."

Our time costs for the period to which this report relates, being 18 June 2016 to 17 June 2017 amount to £9,628 bringing total time costs for the period from the date of our appointment to 18 June 2013 to £46,108.20. In the period to which this report relates, we have drawn fees of £22,152.20 plus VAT, bringing total fees drawn to £30,652.20 plus VAT.

In the period from 18 June 2017 to the date of writing this report our time costs amount to £542 plus VAT. No further fees have been drawn since the anniversary date.

A schedule of our time costs incurred for the period to which this report relates, being 18 June 2016 to 17 June 2017 is attached as Appendix II and a schedule of our total time costs to 17 June 2017 as Appendix III.

Some of the hourly charge-out rates of CCW Recovery Solutions' staff have changed over the course of this matter, as set out below:

	From 18/06/2013 to 31/12/2013	From 01/01/2014 to 30/11/2014	From 01/12/2014 to 31/03/2015	From 01/04/2015 to date
Partner (office holder)	£300	£300	£300	£300
Director	-	-	£250	£250
Senior Manager	£200	£200	£200	£210
Manager	-	£175	£175	£180
Assistant Manager	£150	£150	£150	£165
Senior Administrator	£140	£140	£140	£150
Administrator	£100	£100	£100	£110
Trainee/Support staff	£50	£50	£50	£60

A sheet setting out charge-out rates and disbursements applicable at the date of this report is attached, together with details of how to obtain guides to insolvency practitioners' fees and best practice, as well as our complaints procedure.

Should you require hard copies of any of the electronic documents referred to, please contact this office.

A description of the work undertaken in the Liquidation is as follows:-

1. Administration and Planning
 - Preparing documentation required.
 - Dealing with all routine correspondence.
 - Maintaining physical case files and electronic case details on IPS.
 - Case bordereau.
 - Liaison with the directors regarding the books and records.
 - Dealing with insurance matters.
2. Statutory Matters
 - Preparing the documentation and dealing with the formalities of appointment.
 - Statutory notifications and advertising.
 - Preparing reports to members and creditors.
3. Case Accounting
 - Maintaining and managing the liquidators' cashbook and bank account.
 - Ensuring statutory lodgements and tax lodgement obligations are met.
4. Property Related
 - Dealing with matters relating to the former trading premises.
5. Strategy/Case Review
 - Case planning.
 - Periodic case reviews.
6. Tax & VAT
 - Dealing with HMRC correspondence.
 - Submission of Tax & VAT forms to HMRC for the Liquidation period.
 - Dealing with the VAT returns and VAT refund for the pre-appointment period.
7. Investigations
 - Reviewing and storage of books and records.
 - Preparing a return pursuant to the Company Directors Disqualification Act.
8. Realisation of Assets
 - Liaising with Key Appraisal Limited regarding the valuation and disposal of assets.

- Pursuing outstanding debtors.
- Investigation into the directors' loan accounts and meetings with the directors' representatives.
- Investigation into a loan paid to AGL by the Company and recovery actions in respect of that loan.

9. Unsecured Creditors

- Dealing with creditor correspondence and telephone conversations.
- Preparing reports to creditors.
- Maintaining creditor information on IPS.

Joint Liquidators' Disbursements

Our total disbursements to the date of this report amount to £798.52 plus VAT. The following sums have been incurred and paid:

Disbursement type	Description	Amount incurred £	Amount paid £
Category 1 disbursements	Specific Bond	210.00	210.00
	Redirection of Mail	360.00	360.00
	Postage	90.51	90.13
	Land Registry Search	3.00	3.00
	Creditor upload	34.00	34.00
Category 2 disbursements	Company Searches	15.00	15.00
	Mileage	30.81	30.81
	Photocopying	5.20	5.20
	Internal Meeting Room	50.00	50.00
TOTAL		798.52	798.14

Legal Fees and Disbursements

The sum of £1,200 has been paid to Griffin Law LLP to be held on account for legal services rendered. In the period of this report, legal fees of £400 plus VAT and disbursements of £9 have been invoiced and discharged from the funds held on account. Accordingly, the sum of £711 remains held on account by Griffin Law LLP.

Assets still to be realised

As stated above, there remains a balance due to the Company from AGL.

Liabilities

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies showed that no mortgages have been registered.

Preferential Creditors

The director's Statement of Affairs showed that the Company had no preferential creditors. I can confirm that no claims have been received.

Crown Creditors

The director's Statement of Affairs included sums due to HMRC of £8,636. HMRC have submitted a claim for PAYE totalling £5,390.08. The assessed claim for VAT in the sum of

£36,537.00 has been withdrawn following submission of VAT returns and payment of the VAT refund referred to above.

Unsecured Creditors

The director's Statement of Affairs listed 43 unsecured creditors including HMRC with an estimated total liability of £106,720.23. We have received claims from 26 unsecured creditors totalling £164,807.23 to date. This sum includes claims from 7 creditors not included on the Statement of Affairs whom we have become aware since our appointment, including a counterclaim from a debtor of the Company for incomplete works in the sum of £67,688.04.

Prescribed Part

The legislation requires that if a Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. There is no floating charge in this matter and accordingly the prescribed part provisions do not apply.

Dividend Prospects

Any distribution to non-preferential unsecured creditors will be dependent on the sum of final asset recoveries and the costs of the liquidation.

Investigation

We undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

At the date of this report we have identified potential asset recoveries, as stated above.

Within six months of our appointment, we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company. We confirm this obligation has been complied with.

Further Information

The following agents and solicitors have been utilised in this matter:

<u>Professional Advisor</u>	<u>Nature of Work</u>	<u>Fee Arrangement</u>
Key Appraisal Limited	Agents / Valuers	Fixed Fee
Griffin Law LLP	Solicitors	Time costs

The choice of professionals was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them. The fees charged have been reviewed and we are satisfied that they are reasonable in the circumstances of this case.

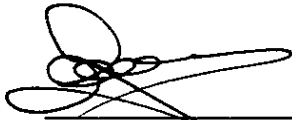
An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidators' fees and the amount of any proposed expenses or

expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Summary

I will continue in my action against AGL to recover the unrealised assets, as set out above and will provide my next report after the end of the fourth anniversary of the liquidation or sooner, if matters are concluded more expeditiously.



Vincent John Green
Joint Liquidator

Dated: 20 July 2017

Vincent John Green and Mark Newman are licensed to act as Insolvency Practitioners in the UK by the Insolvency Practitioners Association

**Affinitus Renewable Energy Limited
(In Liquidation)**

Joint Liquidators' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 18/06/2013 To 17/06/2016 (£)	From 18/06/2016 To 17/06/2017 (£)	Total (£)
Plant & Machinery	11,500.00	9,000.00	0.00	9,000.00
Office Furniture & IT Equipment	700.00	0.00	0.00	0.00
Stock	3,500.00	3,400.00	0.00	3,400.00
Book Debts	12,227.00	0.00	0.00	0.00
Inter-Company debts	2,711.26	2,128.68	0.00	2,128.68
Other Loan Account	1,733.66	0.00	0.00	0.00
VAT Refund	8,906.00	0.00	21,316.63	21,316.63
Cash in Hand	1,000.00	0.00	0.00	0.00
Cash at Bank	NIL	2,611.89	0.00	2,611.89
Preference Recovery		0.00	10,000.00	10,000.00
		17,140.57	31,316.63	48,457.20

PAYMENTS

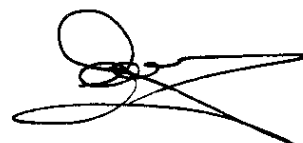
Specific Bond		80.00	130.00	210.00
Preparation of S. of A.		5,000.00	0.00	5,000.00
Joint Liquidators' Fees		8,500.00	22,152.20	30,652.20
Category 1 Disbursements		27.23	99.90	127.13
Category 2 Disbursements		65.00	36.01	101.01
Agents/Valuers Fees (1)		1,750.00	0.00	1,750.00
Agents/Valuers Disbursements		646.00	0.00	646.00
Legal Fees Held on Account		0.00	711.00	711.00
Legal Fees & Disbursements		0.00	409.00	409.00
Re-Direction of Mail		360.00	0.00	360.00
Statutory Advertising		253.80	0.00	253.80
Insurance of Assets		185.50	0.00	185.50
Trade & Expense Creditors	(96,104.23)	0.00	0.00	0.00
Directors	(1,980.00)	0.00	0.00	0.00
HM Revenue & Customs	(8,636.00)	0.00	0.00	0.00
Ordinary Shareholders	(3.00)	0.00	0.00	0.00
		16,867.53	23,538.11	40,405.64

Net Receipts/(Payments)

273.04 7,778.52 8,051.56

MADE UP AS FOLLOWS

Bank 1 Current - Svenska Handelsbanken	173.04	5,835.84	6,008.88
VAT Receivable / (Payable)	100.00	1,942.68	2,042.68
	273.04	7,778.52	8,051.56



Affinitus Renewable Energy Limited (In Liquidation)

Time Cost Summary for the period from 18 June 2016 to 17 June 2017

	Partner	Manager	Case Administrator	Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration and Planning							
Case General Administration			1.05		1.05	121.50	115.71
Tax & VAT		1.10	0.45		1.55	298.50	192.58
Legal / Litigation	4.00	5.60			9.60	2,376.00	247.50
Statutory Matters		2.50			2.50	525.00	210.00
Case Accounting		1.25	2.10	0.05	3.40	521.50	153.38
Strategy / Case Review	1.00	2.00	1.45		4.45	937.50	210.67
Investigations							
SIP2 / CDDA		1.00			1.00	210.00	210.00
Antecedent Transactions	6.50	12.50			19.00	4,575.00	240.79
Realisation of Assets							
Other		0.30			0.30	63.00	210.00
Total Hours	11.50	26.25	5.05	0.05	42.85		
Total Cost	3,450.00	5,542.50	632.50	3.00		9,628.00	
Average Hourly Rate	300.00	211.14	125.25	60.00			224.69

Affinitus Renewable Energy Limited (In Liquidation)

Time Cost Summary for the period from 18 June 2013 to 17 June 2017

	Partner	Manager	Case Administrator	Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration and Planning							
Case General Administration		2.20	15.10	0.80	18.10	2,097.00	115.86
Tax & VAT		1.70	6.45		8.15	1,283.50	157.48
Legal / Litigation	4.00	9.40	1.90		15.30	3,408.00	222.75
Statutory Matters	4.50	8.00	22.30		34.80	6,144.50	176.57
Case Accounting		3.05	11.10	0.85	15.00	2,038.50	135.90
Strategy / Case Review	10.50	9.60	35.20	2.60	57.90	10,140.50	175.14
Property Related			0.65		0.65	91.00	140.00
Investigations							
SIP2 / CDDA		7.10	14.65		21.75	2,978.50	136.94
Antecedent Transactions	6.50	43.20			49.70	10,941.50	220.15
Realisation of Assets							
Book Debts		2.10	4.50		6.60	1,050.50	159.17
Furniture & Equip / Plant & Machinery			3.45		3.45	483.00	140.00
Motor Vehicles			5.25		5.25	735.00	140.00
Other		1.80	3.30		5.10	822.00	161.18
Stock			0.50		0.50	70.00	140.00
Creditors							
Unsecured Creditors		2.30	16.53		18.83	2,739.70	145.50
Employees			1.40		1.40	196.00	140.00
Retention of Title			0.90		0.90	126.00	140.00
Secured			0.20		0.20	28.00	140.00
Case Specific Matters							
Shareholder - Communication			5.25		5.25	735.00	140.00
Total Hours	25.50	90.45	148.63	4.25	268.83		
Total Cost	7,650.00	18,450.00	19,790.20	218.00		46,108.20	
Average Hourly Rate	300.00	203.98	133.15	51.29			171.51

Joint Liquidators' Fees drawn from estate funds in accordance with time cost resolution approved at the meeting of creditors on 18 June 2013

£30,652.20

PROVISION OF SERVICES REGULATIONS SUMMARY SHEET FOR CCW RECOVERY SOLUTIONS (A trading style of Crowe Clark Whitehill LLP)

The following information is designed to draw the attention of interested parties to the information required to be disclosed by the Provision of Services Regulations 2009.

Licensing Body

Mark Newman, Vincent John Green and James Patrick Nicholas Martin are all licensed to act as Insolvency Practitioners (IPs) in the United Kingdom by the Insolvency Practitioners Association.

Mark Newman is a Fellow of the Insolvency Practitioners Association, Vincent Green is a Member of the Insolvency Practitioners Association, James Martin is a Member of the Institute of Chartered Accountants in England and Wales and a Member of the Insolvency Practitioners Association.

CCW Recovery Solutions is a firm member of the Insolvency Practitioners Association. Crowe Clark Whitehill LLP is authorised and regulated by the Financial Conduct Authority.

Rules Governing Actions

All IPs are bound by the rules of their professional body, including any that relate specifically to insolvency. The rules of the Insolvency Practitioners Association can be found at www.insolvency-practitioners.org.uk. In addition, IPs are bound by Statements of Insolvency Practice (SIPs), details of which can be found at <https://www.r3.org.uk/what-we-do/publications/professional/statements-of-insolvency-practice>.

Ethics

All IPs are required to comply with the Insolvency Code of Ethics and a copy of the Code can be found at www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code.

Complaints

At CCW Recovery Solutions we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of a particular case then in the first instance you should contact the IP acting as office holder.

If you consider that the IP has not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer, Mark Newman at CCW Recovery Solutions, 4 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1EE. This will then formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner; or you can email insolvency.enquiryline@insolvency.gsi.gov.uk; or you may phone 0300 678 0015 - calls are charged at up to 10p per minute from a land line, or for mobiles, between 3p and 55p per minute if you're calling from the UK.

Professional Indemnity Insurance

Crowe Clark Whitehill LLP's professional indemnity insurer is Markel International Insurance Co Limited of The International Underwriting Association, London Underwriting Centre, 3 Minster Court, Mincing Lane, London EC3R 7DD. The territorial coverage of the insurance is worldwide with certain restrictions on a claim brought in respect of professional business in the United States of America or Canada.

VAT

Crowe Clark Whitehill LLP is registered for VAT under registration no. GB/974 8680 58.

CCW RECOVERY SOLUTIONS

CHARGE-OUT RATES AND DISBURSEMENTS

The table below sets out the charge-out rates utilised by CCW Recovery Solutions for charging staff time:-

Partner	£300 per hour
Director	£250 per hour
Senior Manager	£210 per hour
Manager	£180 per hour
Assistant Manager	£165 per hour
Senior Administrator	£150 per hour
Administrator	£110 per hour
Trainee/support staff	£60 per hour

It should be noted that the above rates may increase from time to time over the period of the administration of each insolvency case, but this information will be included in periodic statutory reports to creditors. The above rates are effective from 1 April 2015. Time is charged in six minute units.

Category 1 disbursements will be charged at the actual cost at which they are incurred, for example statutory advertising and records storage.

Category 2 disbursements, that is those which are paid to CCW Recovery Solutions, will be on the following basis, once the appropriate approval has been obtained:-

Photocopying	Re-charged at 10p per sheet
Internal room hire	Charged at £50 per meeting held in house
Company searches	£15 per corporate case
Mileage	Charged at 45 pence per mile

GUIDES TO FEES AND BEST PRACTICE

Further information relating to insolvency practitioners' fees and their required practice published by the Association of Business Recovery Professionals can be found on the Insolvency Practitioners Association website: www.insolvency-practitioners.org.uk.

Hover over Regulation and Guidance located to the right of the option ribbon on the home page and select "Creditors Guides to Fees". This information is also relevant to members of companies in both solvent liquidations and insolvency procedures.

The option of Regulation and Guidance will display the following information, and the relevant guide in this case is **Liquidators Fees (November 2011)** under **Guides for England & Wales**.

The Guides form appendices to Statement of Insolvency Practice 9, which sets out required practice for insolvency practitioners. The full text of SIP9 can be found in the Regulation and Guidance area of the Insolvency Practitioners Association website by clicking onto the link to SIPs on the left hand side of the ribbon then select England and Wales and SIP9.