

**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

07901973

Name of Company

Affinitus Renewable Energy Limited ✓

We
Vincent John Green
4 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1EE

Mark Newman
4 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1EE

the Joint Liquidators of the company attach a copy of our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 18/06/2014 to 17/06/2015

Signed

Date 7 August 2015

CCW Recovery Solutions
4 Mount Ephraim Road
Tunbridge Wells
Kent
TN1 1EE

Ref AFF00002/VJG/MN/SE/CL

THURSDAY



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COMPANIES HOUSE

CCW Recovery Solutions

4 Mount Ephraim Road
Tunbridge Wells
Kent TN11 1EE, UK
Tel +44 (0)1892 700200
Fax +44 (0)1892 615142
www.crowedarkwhitehill.co.uk

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

Joint Liquidators' Annual Progress Report to Members and Creditors for the year ending 17 June 2015

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Statutory Information

Company Name	Affinitus Renewable Energy Limited
Registered Number	07901973
Registered Office	4 Mount Ephraim Road, Tunbridge Wells, Kent, TN1 1EE
Former Registered Offices	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 2014, the second anniversary of the liquidation of the Company, to 17 June 2015

Receipts and Payments Account

Our receipts and payments account for the period 18 June 2014 to 17 June 2015, which also shows the transactions for the whole period of the liquidation from 18 June 2013 to 17 June 2015 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

There have been no receipts during the current period from 18 June 2014 to 17 June 2015

For your ease of reference, I herewith provide a summary of the receipts received during the first year of the Liquidation

Plant & Machinery

The plant and machinery of the Company comprised warehouse equipment, including a fork-lift truck and a bio-mass boiler as well as other equipment, such as racking. The Company also had an exhibition trailer that had been specifically customised

Key Appraisal Limited (valuation agents registered by the Royal Institute of Chartered Surveyors) ("the Agent") attended the leasehold premises in Rainham, Kent on 24 May 2013 to value the Company's assets. The Agent advised that the plant and machinery was worth £11,500 in situ but that it would be worth less in a break-up situation

In the period following our appointment, the Agent negotiated the sale of the plant and machinery to a non-connected purchaser and the sum of £9,000 has been realised

Office Furniture & IT Equipment

The office furniture and IT equipment comprised a small quantity of standard equipment which included PC's, a server and printers

As the market was saturated with such equipment at the time of the liquidation, these assets were valued at £700. Ownership of these items was subsequently disputed by a former director and it was decided to abandon these items as the costs of confirming title to the goods would have exceeded the assets' worth.

Stock

The stock was valued at £3,500 and included a quantity of used inverters, roof hooks and another bio-mass boiler.

The sum of £3,400 was realised from this source following negotiations between the Agent and a non-connected purchaser.

Book Debts

According to the director's Statement of Affairs, the Company's debtor ledger totalled £24,455. These assets were estimated to realise £12,277.

Following our appointment, it transpired that a debtor with a value of £23,929.51 had submitted a counterclaim for issues arising with a heating system installed. The counterclaim amounted to £67,688.04 and related to the costs of a new heating system being installed by a different supplier.

Since my last report, I have received evidence in support of the debtor's counterclaim. Accordingly, there will be no further realisation from this source.

Inter-company debts

Affinitus Energy Limited (previously in Members' Voluntary Liquidation and now dissolved) ("AEL"), was an associated company by virtue of common shareholders and directors. AEL entered into solvent liquidation on 8 May 2013 and Mark Newman and I were appointed Joint Liquidators.

A first and final dividend was declared to unsecured creditors by AEL on 7 May 2014. The sum of the distribution received from AEL amounted to £2,128.68, being 100 pence in the pound on the agreed claim of £1,971 plus statutory interest at a rate of 8% per annum.

Cash in Hand

Cash held on site with a value of £1,000 was shown as an asset of the Company on the directors' Statement of Affairs.

Following our appointment we were informed that there was no cash left. Accordingly, no recoveries have been forthcoming from this source.

Cash at Bank

The sum of £2,611.89 was realised following closure of the Company's bank account with Barclays Bank PLC.

Other Assets

Payments to Associates of the Company

Funds were withdrawn from the Company's bank account in the period prior to the Company's liquidation which have been subject to review by the Joint Liquidators. Full explanations have been provided by the Company's former accountant in regard to a number of our enquiries and there remain matters yet to be resolved.

So not to prejudice the outcome of such claims, I am unable to provide any further information to creditors at this stage. I would expect to provide further information to creditors with my next report to creditors.

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.

HM Revenue & Customs ("HMRC") have submitted a claim for VAT in the sum of £36,537 which is based on outstanding assessed returns. The outstanding VAT returns have been submitted to HMRC and I await receipt of a cheque for the VAT refund. Subject to HMRC approving the Company's claim and application of Crown set off (against the Company's liability for PAYE of £5,390.08) I expect to recover £15,926.55 from this source.

Payments

Statement of Affairs Fee

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."

I can 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 2014 to 17 June 2015 amount to £6,605.00 bringing total time costs for the period from the date of our appointment to 17 June 2015 to £24,328.70. In the period to which this report relates, we have drawn fees of £3,000 plus VAT, bringing total fees drawn to £7,000 plus VAT.

In the period from 18 June 2015 to 7 August 2015 our time costs amount to £518 plus VAT. I can confirm that since 18 June 2015 the Joint Liquidators' have drawn remuneration in the sum of £1,000 plus VAT.

A schedule of our time costs incurred for the period to which this report relates, being 18 June 2014 to 17 June 2015 and a schedule of our total time costs to 7 August 2015 can be found at **Appendix II**.

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
Insolvency Senior	£140	£140	£140	£150
Insolvency Semi-Senior	£100	£100	£100	£110
Insolvency Cashier	£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 HM Revenue & Customs ("HMRC") correspondence
 - Submission of Tax & VAT forms to HMRC for the Liquidation period
 - Dealing with potential 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 debtor
 - Investigation into the directors' loan accounts
- 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 £575 44 plus VAT. The following sums have been incurred and paid

Disbursement type	Description	Amount incurred £	Amount paid £
Category 1 disbursements	Specific Bond	80 00	80 00
	Redirection of Mail	360 00	360 00
	Postage	48 24	20 23
	Creditor upload	14 00	7 00
Category 2 disbursements	Company Searches	15 00	15 00
	Land Registry Search	3 00	NIL
	Photocopying	5 20	NIL
	Internal Meeting Room	50 00	50 00
TOTAL		575.44	532 23

Statutory Advertising

The sum of £253 80 plus VAT has been paid in relation to statutory advertising of the meeting of creditors and the appointment of Joint Liquidators

Insurance of Assets

The sum of £185 50 has been paid to Marsh Limited in respect of insurance over assets falling under our control

Assets still to be realised

As referred to above, the sources of future potential asset recoveries are from a VAT refund and those set out under the paragraph above headed 'Payments to Associates of the Company'

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 the following claims -

VAT (based on assessments)	£36,537 00
PAYE	£5,390 08
Total	£41,927.08

As stated above, the claim from HMRC for VAT is expected to reduce to £Nil following submission of outstanding returns

Unsecured Creditors

The director's Statement of Affairs listed 43 unsecured creditors including HMRC with an estimated total liability of £106,720 23 To date, we have received claims from 26 unsecured creditors totalling £164,807 23 This sum includes claims from 7 creditors not included on the Statement of Affairs whom we have become aware since our appointment

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

Crown Creditors/Unsecured Creditors

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

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 agent has 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

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 actions to recover the unrealised assets, as set out above and will provide my next report after the end of the third anniversary of the liquidation or sooner, if matters are concluded more expeditiously.



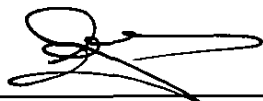
Vincent John Green
Joint Liquidator

Dated 11 August 2015

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' Abstract of Receipts and Payments

Statement of Affairs		From 18/06/2014 To 17/06/2015	From 18/06/2013 To 17/06/2015
	ASSET REALISATIONS		
11,500 00	Plant & Machinery	NIL	9,000 00
700 00	Office Furniture & IT Equipment	NIL	NIL
3,500 00	Stock	NIL	3,400 00
12,227 00	Book Debts	NIL	NIL
2,711 26	Inter-Company debts	NIL	2,128 68
1,733 66	Other Loan Account	NIL	NIL
8,906 00	VAT Refund	NIL	NIL
1,000 00	Cash in Hand	NIL	NIL
NIL	Cash at Bank	NIL	2,611 89
		<u>NIL</u>	<u>17,140 57</u>
	COST OF REALISATIONS		
	Specific Bond	NIL	(80 00)
	Preparation of S of A	NIL	(5,000 00)
	Joint Liquidators' Fees	(3,000 00)	(7,000 00)
	Category 1 Disbursements	NIL	(27 23)
	Category 2 Disbursements	NIL	(65 00)
	Agents/Valuers Fees (1)	NIL	(1,750 00)
	Agents/Valuers Disbursements	NIL	(646 00)
	Re-Direction of Mail	NIL	(360 00)
	Statutory Advertising	NIL	(253 80)
	Insurance of Assets	NIL	(185 50)
		<u>(3,000 00)</u>	<u>(15,367 53)</u>
	UNSECURED CREDITORS		
(96,104 23)	Trade & Expense Creditors	NIL	NIL
(1,980 00)	Directors	NIL	NIL
(8,636 00)	HM Revenue & Customs	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(3 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(64,445.31)		<u><u>(3,000.00)</u></u>	<u><u>1,773.04</u></u>
	REPRESENTED BY		
	Bank 1 Current - Svenska Handelsban		1,773 04
			<u>1,773.04</u>


 Vincent John Green
 Joint Liquidator

Notes

- 1 To be read in conjunction with the Joint Liquidators' report dated 11 August 2015
- 2 The sums shown are net of VAT

Time Cost Summary for the period from 18 June 2014 to 17 June 2015

	Partner	Manager	Case Administrator	Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration and Planning							
Case General Administration		0 70	1 45		2 15	329 50	153 26
Tax and VAT			2 75		2 75	385 00	140 00
Statutory Matters		1 30	8 50		9 80	1,417 50	144 64
Case Accounting		0 20	3 20		3 40	430 00	126 47
Strategy / Case Review		3 10	8 70		11 80	1,832 50	155 30
Investigations							
SIP2 / CDDA		1 10			1 10	192 50	175 00
Antecedent Transactions		5 60			5 60	1 106 00	197 50
Realisation of Assets							
Book Debts		0 30	0 50		0 80	138 00	172 50
Other		0 30	0 40		0 70	123 00	175 71
Stock			0 50		0 50	70 00	140 00
Creditors							
Unsecured Creditors			4 15		4 15	581 00	140 00
Total Hours		12 60	30 15		42 75		
Total Cost		2,429 00	4,176 00			6,605 00	
Average Hourly Rate		192 78	138 51				154 50

Time Cost Summary for the period from 18 June 2013 to 7 August 2015

	Partner	Manager	Case Administrator	Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration and Planning							
Case General Administration		2 20	12 40	0 80	15 40	1,755 00	113 96
Tax & VAT			4 10		4 10	574 00	140 00
Legal / Litigation		3 20	1 90		5 10	906 00	177 65
Statutory Matters	4 50	3 70	14 30		22 50	4 061 50	180 51
Case Accounting		1 45	7 10	0 80	9 35	1 229 00	131 44
Strategy / Case Review	3 50	6 20	28 25	2 60	40 55	6,284 00	154 97
Property Related			0 65		0 65	91 00	140 00
Investigations							
SIP2 / CDDA		2 10	14 65		16 75	1,928 50	115 13
Antecedent Transactions		5 90			5 90	1,158 50	196 36
Realisation of Assets							
Book Debts		2 10	4 50		6 60	1,050 50	159 17
Furniture & Equipmt / Plant & Machinery			3 45		3 45	483 00	140 00
Motor Vehicles			5 25		5 25	735 00	140 00
Other		1 50	3 30		4 80	759 00	158 13
Stock			0 50		0 50	70 00	140 00
Trading							
Trading							
Creditors							
Unsecured Creditors		2 00	16 53		18 53	2,676 70	144 45
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	8 00	30 35	124 63	4 20	167 18		
Total Cost	2,400 00	5,803 50	16,428 20	215 00		24,846 70	
Average Hourly Rate	300 00	191 22	131 82	51 19			148 62

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

£8,000 00

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
Insolvency Senior	£150 per hour
Insolvency Semi-Senior	£110 per hour
Insolvency Cashier	£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 at CCW offices
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 links in this case are highlighted to assist you.

The Creditors' Guides to Fees provide explanations of creditors' rights with regard to insolvency practitioners' fees. They explain how an insolvency practitioner seeks approval of his fees, what information a creditor can expect to receive, and what a creditor can do if he is dissatisfied with the level of a practitioner's fees.

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 by clicking onto the link to SIPs on the left hand side of this page.

Guides for England & Wales

- [Administration](#)
- [Administration \(Pre 6 April 2010\)](#)
- [Bankruptcy](#)
- [Bankruptcy \(Pre 6 April 2010\)](#)
- [Liquidation](#)
- [Liquidation \(Pre 6 April 2010\)](#)
- [Voluntary Arrangement](#)
- [Voluntary Arrangement \(Pre 6 April 2010\)](#)
- [Administrators Fees \(November 2011\)](#)
- [Liquidators Fees \(November 2011\)](#)
- [Trustee in Bankruptcy Fees \(November 2011\)](#)
- [Voluntary Arrangement Fees \(November 2011\)](#)

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. If you should have cause to complain about the way that we are acting, you should, in the first instance, put details of your complaint in writing to our complaints officer, Mark Newman at CCW Recovery Solutions, 4 Mount Ephraim Road, Tunbridge Wells, Kent TN1 1EE. This will 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 ip.complaints@insolvency.gsi.gov.uk, or you may phone 0300 678 0015 - calls are charged at up to 9p per minute from a land line, or for mobiles, between 8p and 40p per minute if you are calling from the UK.

1 April 2015