

6277875

Our Ref JPS/DH/AIFLOOR/1300
Your Ref

27 August 2014

TO ALL KNOWN MEMBERS & CREDITORS



**Auker
Rhodes
Accounting**

*Business Advisers
and Insolvency
Practitioners*

Dear Sirs

**A I Flooring Limited ("the Company")
(In Liquidation)**

1 Introduction

1.1 Following my appointment as liquidator of the Company on 24 August 2012 in accordance with Section 104A of the Insolvency Act 1986, I now report on the progress of the liquidation for the year ended 23 August 2015 and attach

- Appendix 1, my receipts and payments account for the year ended 23 August 2015,
- Appendix 2, a statement of the remuneration charged by the liquidator in the period 24 August 2014 to 23 August 2015 and a statement of expenses incurred in the period,
- Appendix 3, an analysis of my time costs as required by Statement of Insolvency Practice 9,
- Appendix 4, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the liquidator (Rule 4.49E), and
- Appendix 5, 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 John Paul Sugden is authorised to act as an insolvency practitioner by the Secretary of State for Business, Innovation and Skills (licence number 8064)

*Registered Office and
Business Address*

Devonshire House
32-34 North Parade
Bradford
West Yorkshire
BD1 3HZ

Tel 01274 299 499
Fax 01274 299 498

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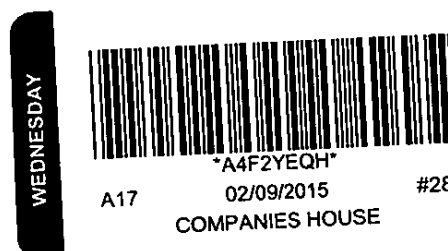
*Mr S G Hodgson is licensed
as an Insolvency
Practitioner by the Insolvency
Practitioners Association*

*Directors acting as
administrators or
administrative receivers
contract as agents and
without personal liability*

Auker Rhodes Accounting
is the trading name of
Auker Rhodes Accounting Ltd

A list of directors is available
from the Registered Office

Registered in England
& Wales No 7382884





Auker Rhodes Accounting

*Business Advisers
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2 Statutory Information

2.1 The statutory details of the Company are as follows -

Registered number	06277875
Registered office	C/o Auker Rhodes Accountants Devonshire House 32/34 North Parade Bradford BD1 3HZ

3 Progress Report

Outcome

- 3.1 Creditors may recall from my previous Annual Report the only potential recovery was from the outstanding loan account in the sum of £30,749 due from the former Director Mr Ian Wallace
- 3.2 I can confirm that since the last report Shulmans Solicitors (instructed to deal with this matter on my behalf) have agreed a payment plan with the former Director following negotiations with him and his financial advisor
- 3.3 It has been agreed that Mr Wallace will pay the sum of £250 per month in order to repay his outstanding loan account. I can confirm that Shulmans have investigated Mr Wallace's income and expenditure and have advised that this is the best offer available

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Recoveries

- 3.4 I can confirm that since the above referenced agreement was implemented on 1 June 2015, the monthly payments have all been received totalling £750 to date
- 3.5 Creditors may also recall that a small dividend payment of £214.36 has been received from Benedict Mackenzie in respect of the Liquidation of TU Realisation 2011 Limited

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4 Creditors & Dividends

- 4.1 No Preferential creditor claims have been received and none are expected in this instance

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4 2 The Director's statement of affairs estimated that there were unsecured creditors in of circa £160,179 To date, I have received 5 claims from unsecured creditors totalling £105,777 60

4 3 Based on current information, any prospect of a dividend to unsecured creditors will be dependant upon the level of continued realisations in respect of the aforementioned Directors loan account

5 Liquidator's remuneration and expenditure

6 1 My fees for acting as liquidator were agreed with creditors at a meeting held on 31 October 2012 and will be drawn on a time cost basis In accordance with Statement of Insolvency Practice (SIP9), I attach at Appendix 3 a summary of my time costs in the liquidation by grade of staff and type of work

The analysis shows time costs of £15,350 representing 109 83 hours and an average rate of £139 76 per hour

I have yet to draw any remuneration on account of my time costs to date

6 2 A statutory expense, being my bond, of £120 has been paid for by my firm and will be claimed as and when funds permit

7 Conclusion

7 1 As described above I shall continue to pursue the former Director with the assistance of Shulmans for a payment in respect of his outstanding loan account as at the date of my appointment

7 2 Following conclusion of the above, I shall pay my outstanding remuneration and fees and proceed to either pay a dividend to unsecured creditors or close the matter and report further to creditors at that juncture

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Should you require any further information, please contact David Hodgson of my office on 01274 299499

Yours faithfully



J P Sugden
Liquidator



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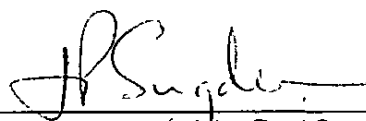
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A I Flooring Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 24/08/2012 To 23/08/2015	From 24/08/2012 To 23/08/2015
30,749 00	ASSET REALISATIONS		
	Directors Loan Account	NIL	NIL
	Miscellaneous Refund	214 36	214 36
	O R Balance	(1,070 00)	(1,070 00)
		<u>(855 64)</u>	<u>(855 64)</u>
	COST OF REALISATIONS		
	Sec of State Fees	264 00	264 00
		<u>(264 00)</u>	<u>(264 00)</u>
	UNSECURED CREDITORS		
(113,196 47)	Trade & Expense Creditors	NIL	NIL
(35,000 00)	Banks/Institutions	NIL	NIL
(45,000 00)	HMRC	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(162,447 47)</u>		<u>(1,119 64)</u>	<u>(1,119.64)</u>
	REPRESENTED BY		
	ISA NIB		(1,119 64)
			<u>(1,119.64)</u>


 John Paul Sugden
 Liquidator

APPENDIX 2

Remuneration charges and expenses charges incurred by the liquidator in the period 24 August 2014 to 23 August 2015

A I Flooring Limited – In Liquidation

	Costs incurred & paid from 24/08/14 to 23/08/15 £	Costs incurred & paid from 24/08/12 to date £	Costs incurred remaining unpaid to date £	Total costs incurred from 24/08/12 to date £
Cost of Realisations				
Secretary of State Fees	-	-	214 36	214 36
Liquidator's fees				
Auker Rhodes Ltd	-	-	15,350	15,350
	-	-	15,564 36	15,564 36

Notes

- 1 The basis of the Liquidator's fees and expenses was agreed by the creditors' at a meeting of creditors held 31 October 2012

A1 Flooring Limited (In Liquidation)

Time Costs Summary (Period 24/08/12 to 23/08/2015)

Category	Partner		Manager/Administrator		Support Staff		Total Hours	Total Time Cost £	Average Hourly Rate £
	Hours	£	Hours	£	Hours	£			
Creditors Claims & Retention of Title			11 50	1,437 50			11 50	1,437 50	125 00
Realisation of Assets	9 00	2,250 00	15 50	1,937 50			24 50	4,187 50	170 92
Investigations	1 00	250 00	10 25	1,281 25			11 25	1,531 25	136 11
Annual Meeting/Compliance Reviews	0 50	125 00	35 25	4,406 25			35 75	4,531 25	126 75
Continued Trading							-	-	-
Administration & Accountancy	2 00	500 00	21 50	2,687 50			23 50	3,187 50	135 64
Tax Compliance			1 00	125 00			1 00	125 00	125 00
Reporting/SofA/ Stat Returns							-	-	-
Employee Claims							-	-	#DIV/0!
Cashiering					2 33	350 00	2 33	350 00	150 21
	12 50	3,125 00	95 00	11,875 00	2 33	350 00	109 83	15,350 00	139 76

A I Flooring Limited (In Liquidation)

Time Costs Summary (Period 24/08/14 to 23/08/2015)

Category	Partner		Manager/Administrator		Support Staff		Total Hours	Total Time Cost £	Average Hourly Rate £
	Hours	£	Hours	£	Hours	£			
Creditors Claims & Retention of Title			1 00	125 00			1 00	125 00	125 00
Realisation of Assets							-	-	#DIV/0!
Investigations							-	-	#DIV/0!
Annual Meeting/Compliance Reviews			12 50	1,562 50			12 50	1,562 50	125 00
Continued Trading							-	-	-
Administration & Accountancy			3 50	437 50			3 50	437 50	125 00
Tax Compliance							-	-	-
Reporting/Sol/A/ Stat Returns							-	-	-
Employee Claims							-	-	#DIV/0!
Cashiering					0 75	112 50	0 75	112 50	150 00
	-	-	17 00	2,125 00	0 75	112 50	17 75	2,237 50	126 06

APPENDIX 4

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 creditors' voluntary liquidation

- (1) If
 - (a) within a 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 application made within the period mention in paragraph (2), any unsecured creditor,

make 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 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 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 to 8 weeks provided for in Rule 4 131(1B) by such further period as the court thinks just

An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the liquidator's fees, 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 circumstances, excessive or, in the case of an application under 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 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 the 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 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 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

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