

IN THE PRESTON COUNTY COURT

NO. of 2018

IN THE MATTER OF THE INSOLVENT PARTNERSHIPS ORDER 1994 (AS AMENDED)

AZTEC DOMESTICS

FORMER PARTNERSHIP NAME: AZTEC DOMESTIC SERVICES

NOTICE OF DECISION PROCEDURE BY VIRTUAL MEETING OF CREDITORS

This Notice is given under Rule 2.25 and 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by Jonathan Mark Taylor of T H Financial Recovery, Suite 101 & 102, Empire Way Business Park, Liverpool Road, Burnley BB12 6HH, who was appointed by the above-named partnership to act as Nominee in relation to the partnership's proposal for a Voluntary Arrangement under Section 3 of the Insolvency Act 1986.

It is proposed that the following decisions be made:

1. The approval of the proposed voluntary arrangement

The virtual meeting will be held via the Join.Me conferencing platform and will be held as follows:

Time: 11:00 am

Date: 5 June 2018

To access the virtual meeting go to: <https://join.me/411-537-335>

Please also contact the Nominee or his staff at least one business day before when further details will be provided. The virtual meeting may be suspended or adjourned by the chair of the meeting (and must be adjourned if it is so resolved at the meeting).

Also provided is a proxy form to enable creditors to appoint a proxy-holder to attend on their behalf (note: any creditor who is not an individual must appoint a proxy-holder, if they wish to attend or be represented at the meeting).

All proxy forms, together with a proof of debt if one has not already been submitted, must be completed and returned by one of the methods set out below:

By post to: T H Financial Recovery, 101 Empire Way Business Park, Liverpool Road, Burnley BB12 6HH

By fax to: 01772 452376

By email to: info@thfr.co.uk

Please note that, if you are sending forms by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the times set out below. An email is treated as delivered at 9am on the next business day after it was sent.

All proofs and proxy forms must be delivered to the convener or chair before they may be used at the meeting. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote.

A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time set out above.

In a decision relating to a proposed PVA every creditor, secured or unsecured, who has notice of the decision procedure is entitled to vote in respect of that creditor's debt.

A secured creditor will only be able to vote in respect of their unsecured claim. A creditor may vote for the amount of their claim at the date the partnership went into liquidation or the date the partnership entered into administration (less any payments made to the creditors after that date in respect of the claim) or the decision date.

A decision approving a proposal or a modification is made when three-quarters or more (in value) of those voting approve it. The decision is not made if more than half of the total value of the unconnected creditors vote against it.

Creditors who meet one or more of the statutory thresholds listed below may within 5 business days of delivery of the notice request a physical meeting to be held to consider the matters detailed above.

Statutory thresholds to request a meeting:	10% in value of the creditors
	10% in number of the creditors
	10 creditors

If the Threshold is met, the decision procedure will terminate without a virtual meeting being held and a physical meeting shall be convened.

Creditors who have taken all steps necessary to attend the virtual meeting under the arrangements made by the convener, but has not enabled them to attend the whole or part of the meeting, may complain under Rule 15.38 of the Rules. A complaint must be made as soon as reasonably practicable and in any event no later than 4pm on the business day following the day on which the person was, or appeared to be, excluded; or where an indication is sought under Rule 15.37, the day on which the complainant received the indication.

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 28 days beginning with the day on which the first of the reports required by section 4(6) or paragraph 30(3) of Schedule A1 was filed with the court.

Modifications may be proposed and submitted with the proxy form for the virtual meeting. The Nominee will then advise the board of partners of the modifications and the board of partners will need to agree to any proposed modifications, if they are to be incorporated into the proposal for the purposes of approval. It may be necessary to adjourn the virtual meeting to consider or amend the modifications proposed.

Dated: 10 May 2018

Signed: 
Jonathan Mark Taylor
Nominee

Note:

The attention of creditors is particularly drawn to the effect of Rule 15.34 regarding requisite majorities, a copy of which is attached to this Notice.

Jonathan Mark Taylor
T H Financial Recovery
Nominee
Dated: 10 May 2018

COMPANY VOLUNTARY ARRANGEMENT

STATEMENT PURSUANT TO RULE 15.34 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016

The following are extracts from the Insolvency (England and Wales) Rules 2016:

Requisite majorities

15.34.

(1) A decision is made by creditors when a majority (in value) of those voting have voted in favour of the proposed decision, except where this rule provides otherwise.

(2) In the case of an administration, a decision is not made if those voting against it—
(a) include more than half in value of the creditors to whom notice of the decision procedure was delivered; and
(b) are not, to the best of the convener or chair's belief, persons connected with the company.

(3) Each of the following decisions in a proposed CVA is made when three-quarters or more (in value) of those responding vote in favour of it—

- (a) a decision approving a proposal or a modification;
- (b) a decision extending or further extending a moratorium; or
- (c) a decision bringing a moratorium to an end before the end of the period of any extension.

(4) In a proposed CVA a decision is not made if more than half of the total value of the unconnected creditors vote against it.

(5) For the purposes of paragraph (4)—

- (a) a creditor is unconnected unless the convener or chair decides that the creditor is connected with the company;
- (b) in deciding whether a creditor is connected reliance may be placed on the information provided by the company's statement of affairs or otherwise in accordance with these Rules; and
- (c) the total value of the unconnected creditors is the total value of those unconnected creditors whose claims have been admitted for voting.

(6) In a case relating to a proposed IVA—

- (a) a decision approving a proposal or a modification is made when three-quarters or more (in value) of those responding vote in favour of it;
- (b) a decision is not made if more than half of the total value of creditors who are not associates of the debtor vote against it.

(7) For the purposes of paragraph (6)—

- (a) a creditor is not an associate of the debtor unless the convener or chair decides that the creditor is an associate of the debtor;
- (b) in deciding whether a creditor is an associate of the debtor, reliance may be placed on the information provided by the debtor's statement of affairs or otherwise in accordance with these Rules; and
- (c) the total value of the creditors who are not associates of the debtor is the total value of the creditors who are not associates of the debtor whose claims have been admitted for voting.

STATEMENT OF VOTING RIGHTS IN ACCORDANCE WITH RULE 2.36 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016

Requisite majorities of members

2.36.

(1) A resolution is passed by members by correspondence or at a meeting of the company when a majority (in value) of those voting have voted in favour of it.

(2) This is subject to any express provision to the contrary in the articles.

(3) A resolution is not passed by correspondence unless at least one member has voted in favour of it.

OPTING OUT OF RECEIVING DOCUMENTS

The consequences of opting-out

As previously advised, most future documents will not be sent to creditors by post. Nevertheless, the Nominee is required to inform creditors of their rights to opt out of receiving documents.

Creditors have the right to elect to opt out of receiving further documents about the Company Voluntary Arrangement unless:

- (i) the Insolvency Act 1986 requires a document to be delivered to all creditors without expressly excluding opted-out creditors;
- (ii) it is a notice relating to a change in the office-holder or the office-holder's contact details; or
- (iii) it is a notice of a dividend or proposed dividend or a notice which the court orders to be sent to all creditors or all creditors of a particular category to which the creditor belongs.

Opting-out will not affect the creditor's entitlement to receive dividends should any be paid to creditors.

Unless the Insolvency (England & Wales) Rules 2016 provide to the contrary, opting-out will not affect any right the creditor may have to vote in a decision procedure or a participate in a deemed consent procedure in the proceedings although the creditor will not receive notice of it.

A creditor who opts out will be treated as having opted out in respect of any consecutive insolvency proceedings of a different kind in respect of the same company.

How to opt out

A creditor may at any time elect to be an opted-out creditor.

The creditor's election to opt out must be by a notice in writing authenticated and dated by the creditor.

The creditor must deliver the notice to the Nominee (details below).

How to opt back in

The creditor may at any time revoke the election to opt out by a further notice in writing, authenticated and dated by the creditor and delivered to the Nominee or Supervisor (details below).

Contact details

The Nominee's contact details are as follows:

Names of Nominee:

Jonathan Mark Taylor

Address of Nominee:

Suite 101 & 102, Empire Way Business Park,
Liverpool Road, Burnley, BB12 6HH

Email Address

vmcbrien@thfr.co.uk

Telephone Number

01282 332222

IN THE PRESTON COUNTY COURT

NO: of 2018

THE INSOLVENT PARTNERSHIPS ORDER 1994

AZTEC DOMESTICS

**PROPOSAL FOR A
PARTNERSHIP
VOLUNTARY ARRANGEMENT**

PRIVATE & CONFIDENTIAL

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AZTEC DOMESTICS ("THE PARTNERSHIP")

THE INSOLVENT PARTNERSHIPS ORDER 1994

PARTNERS' PROPOSAL TO CREDITORS AND MEMBERS OF THE PARTNERSHIP FOR A VOLUNTARY ARRANGEMENT IN SATISFACTION OF ITS DEBTS ("THE PROPOSAL")

1 INTRODUCTION

- 1.1 We, Mr Paul Gerard Wilkinson and Mrs Julie Enid Wilkinson, the members of the partnership, make the following Proposal to the partnership and its creditors for a Partnership Voluntary Arrangement (PVA) in satisfaction of its debts and all other claims of whatsoever nature.
- 1.2 A PVA is a formal procedure under the Insolvent Partnerships Order 1994, which enables a partnership to agree with its creditors, under the supervision of a Licensed Insolvency Practitioner, how their debts should be paid and in what proportions.
- 1.3 This Proposal provides for a composition with the partnership's creditors in full and final satisfaction of the partnership's debts.
- 1.4 The Licensed Insolvency Practitioner acting in relation to this Proposal is: -
 - 1.4.1 Nominee - Jonathan Mark Taylor
 - 1.4.2 Proposed Supervisor – Jonathan Mark Taylor

The Nominee and Proposed Supervisor is a Partner in T H Financial Recovery.
- 1.5 If this Proposal is not approved by creditors, as drafted or in a substantively similar form, the partnership will be insolvent on the basis that it will be unable to pay its debts as they fall due.
- 1.6 A winding up petition was issued against the partnership by HM Revenue & Customs on 6 April 2018 and is listed for hearing by the court on 23 May 2018. An adjournment of this hearing will be sought so that the creditors of the

partnership may consider the PVA as an alternative to liquidation.

- 1.7 Bankruptcy petitions were also issued against both partners by HM Revenue & Customs on 6 April 2018 for the debts owed by the partnership and for debts owed directly by the partners. It is the intention of both partners to offer proposals to their creditors for Individual Voluntary Arrangements "IVA" as an alternative to being declared bankrupt.
- 1.8 We make this Proposal as we are of the opinion that a PVA is the most expedient method by which secured and preferential creditors, if any arise, will be paid in full, and unsecured creditors will receive an enhanced dividend, compared to a liquidation of the partnership.
- 1.9 For this reason, we believe that creditors may reasonably be expected to concur with the Proposal.

References in this Proposal to "the Order", "the Act" and "the Rules" are to the Insolvent Partnerships Order 1994, the Insolvency Act 1986 and the Insolvency Rules 2016.

2 SUMMARY OF PROPOSAL

- 2.1 The partnership will make payments to the Supervisor over 12 months totalling at least £129,000 as follows: -
 - 2.1.1 Months 1 to 12 - £2,000 per month from future income for 12 months.
 - 2.1.2 Months 1 to 12 - £105,000 from a re-mortgage of the business property and/or our residential property; more if this is required to fully repay all creditors plus interest.
- 2.2 The Supervisor will receive and hold the monthly contributions, agree creditors' claims and pay dividend(s) to creditors out of the funds coming into his possession.
- 2.3 All other assets of the partnership are excluded from the PVA.
- 2.4 This Proposal is in full and final settlement of all claims by creditors against the partnership.
- 2.5 The PVA will last approximately 1 year, plus any additional time as required by the Supervisor to complete his statutory duties.
- 2.6 Preferential claims, if any arise, will be paid in full.
- 2.7 The estimated dividend to unsecured creditors will be 100 pence in the £ after the costs and expenses of the PVA, plus statutory interest at the rate of 8% per annum, pro rata. The estimated dividend to unsecured creditors if the partnership was wound up is 92.29 pence in the £.

3 BENEFITS TO CREDITORS

- 3.1 We have considered other forms of insolvency procedure, but we are proposing a PVA because: -
 - 3.1.1 We have sufficient equity in our business and personal properties to fully repay all of our creditors plus interest.
 - 3.1.2 We believe there is a viable underlying business which can provide future profits for the benefit of creditors,
 - 3.1.3 The continuation of the business will permit regular contributions to be made to the Supervisor out of operational cash flow. If the business ceases to trade, creditors will not have the opportunity to benefit from future profits,
 - 3.1.4 The values of the business assets would be reduced significantly in the event that the partnership ceased trading.
- 3.2 Accordingly, the Proposal aims to preserve the business of the Partnership.
- 3.3 The Proposal provides for full repayment of existing unsecured creditors' claims.
- 3.4 The survival of the partnership as a going concern will continue to provide future business for its suppliers.
- 3.5 VAT bad debt relief is available to creditors in the same way as it would be in liquidation.
- 3.6 The rights of secured creditors will not be affected by the PVA.
- 3.7 Finance creditors and creditors under any leases and rental agreements, if any, will benefit from receiving continued payments under the finance agreements, leases and rental agreements.
- 3.8 The partnership employs 2 people, in addition to the 2 partners, who have been employed by the business for 13 years and 5 years, and the survival of the partnership as a going concern will give these employees continuity of employment. There will be no preferential claims from employees for unpaid wages and holiday pay and they will not become unsecured creditors of the partnership in respect of pay in lieu of notice and their accrued redundancy entitlements, as they would if the partnership ceased trading.
- 3.9 The prospects of a more advantageous realisation of the partnership's assets on a winding up are remote, as it is likely that the assets would have to be realised in a piecemeal fashion.

3.10 The costs of other forms of insolvency proceedings are relatively high when compared to the typical costs of a PVA.

3.11 Unsecured creditors will be likely to receive a reduced payment in respect of the partnership's debt to them in the event of the partnership being wound up.

4 BACKGROUND INFORMATION

4.1 'Aztec Domestics', which was previously known as 'Aztec Domestic Services', was formed in 1995 as a partnership between Paul Wilkinson and his wife Julie Wilkinson.

4.2 The business was established to retail and repair domestic appliances.

4.3 On 1 February 2000, the partnership purchased freehold property at 62 Pall Mall, Chorley, Lancashire PR7 2LE and the business trades from the ground floor of this property.

4.4 In 2008, Julie was diagnosed with relapsing Polychondritis, a potentially fatal condition, coupled with severe intestinal problems that have required a number of surgeries.

4.5 Julie's illness prevented her working for long periods and, as her main duties are dealing with the administration of the business, she fell behind with the books and records.

4.6 This resulted in the business accounting falling behind as well as the payments to creditors, which were either not made correctly or not at all.

4.7 To compound the situation, Julie suffered a nervous breakdown due to her entire situation, which further hampered her ability to work.

4.8 Eventually, Julie slowly began to return to work and tried to catch up with the accounting records and the payments to creditors.

4.9 The main creditor was HM Revenue & Customs in respect of unpaid Value Added Tax and Julie paid everything that the business could afford against this debt, as well as paying £2,500 per month to clear her personal income tax of approximately £13,000.

4.10 Unfortunately, this was not enough because the situation had gone too far, and HM Revenue & Customs started action to wind up the partnership.

4.11 The business is very viable and has kept up to date with all ongoing financial commitments since 1 January 2018, as well as trying to pay the prior historic debt but this has proved impossible in the time demanded.

4.12 Following the issue of a winding up petition by HM Revenue & Customs on 6 April 2018, the partners sought professional help.

- 4.13 The partners now realise that the only way they can clear the historic debt is to re-mortgage the business property and also their residential property and they believe that a Partnership Voluntary Arrangement is the most appropriate solution to provide them with sufficient time to do this and also save their business.
- 4.14 A summary of the latest accounts is set out at Appendix 3.
- 4.15 The business' accountants are presently finalising the accounts for the year ended 31 August 2017.

5 REASONS FOR FUTURE SUCCESS

- 5.1 Following Julie's return to work on a full-time basis, we have got the administration and accounting back up to date.
- 5.2 The business accountants have been consulted and they have recommended improvements to help us to maintain better records including the installation of online accounting software, probably Xero, which will provide us with more accurate and up-to-date management information.
- 5.3 Our PAYE is always up-to-date because the accountants file the monthly return when they calculate the wages, and we have provided a direct debit authority to HM Revenue & Customs so that they may automatically collect the PAYE.
- 5.4 In the last 12 months, the business has finished paying the finance instalments for the two vans and this has improved cash flow.
- 5.5 Our son has also been helping to market products online and this is resulting in increased sales.
- 5.6 We have no overdue supplier invoices, PAYE is always paid on time, as explained in paragraph 5.3, and we have paid our VAT this year by the due date and strongly believe that this will continue.
- 5.7 We have produced a profit & loss forecast that indicates that the partnership can generate a reasonable trading profit in the future. The profit and loss and cash flow forecasts attached at appendix 6 show: -
- 5.7.1 A projected profit before taxation of £70,524, on projected turnover of £300,000.
- 5.7.2 Contributions to the PVA out of cashflow in the sum of £2,000 per month
- 5.7.3 The remuneration of the Partners drawn at a rate of £3,500 per month, which includes a provision of £1,183 for income tax and class 4 national insurance on the profits of the business.

6 PROPOSAL

Continuation of trading

- 6.1 The partnership will continue to trade as retailers and repairers of domestic appliances from its freehold premises at 62 Pall Mall, Chorley, Lancashire PR7 2LE.
- 6.2 The Partners will continue to manage the business during the course of the PVA, subject to the terms set out in this Proposal.

Contributions

- 6.3 During the PVA the partnership will make payments out of income to the Supervisor as follows: -

6.3.1 Months 1 to 12 - £2,000 per month

- 6.4 The first monthly payment shall be made no later than the month in which the creditors' meeting approving the Proposal is held.
- 6.5 Subsequent payments will be made by standing order and no later than the last banking day of each month.
- 6.6 The Supervisor will review the partnership's financial position with a view to increasing the partnership's contributions, if feasible.
- 6.7 If the Supervisor requires the partnership to make increased contributions, the increase shall take place at the end of the month following notification from the Supervisor.
- 6.8 The financial effect of any increase in contributions required by the Supervisor will be to increase the total amount to be paid under the Proposal.

Dividends shall be paid annually, following the agreement of creditor claims, provided there are sufficient funds on hand to distribute a dividend of at least 5p in the £. Distributions are estimated as follows:

Year 1	100 p in £
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Creditor(s) should note that distribution levels and timings will depend on contributions received, any subsequent variations to the arrangement and / or prohibitive modifications.

Duration

- 6.9 The partnership's obligations to make contributions shall be for a maximum of 12 months and the PVA shall continue for this period or for such longer time as is necessary to enable the Supervisor to collect and distribute all assets

- 7.11 The estimated dividend to unsecured creditors if the partnership was wound up is 92.29 pence in the £.

8 SECURED CREDITORS

- 8.1 The only secured creditor of the partnership is National Westminster Bank who hold a legal charge dated 1 February 2000 against the freehold property at 62 Pall Mall, Chorley, Lancashire PR7 2LE as security for a bank loan and any other money we owe, including our bank overdraft facility of £17,000.
- 8.2 The amount presently owed in respect of the loan is £7,882.17 and our main bank account is presently overdrawn in the sum of £8,706.73.
- 8.3 Any claim in the arrangement by any secured creditor, after taking into account the value or realisation of its security, shall rank as an unsecured claim.

9 FINANCE, LEASE AND RENTAL CREDITORS

- 9.1 None of the partnership's assets are subject to hire purchase or chattel leasing agreements but the partnership has entered into two rental agreements for the storage of appliances for re-sale and also for spares. It is intended that the partnership will maintain its normal periodic payments falling due under those agreements to avoid repossession, and damage to the partnership's business.
- 9.2 In any case where hire purchase, leased or rented assets are no longer required, disposal will be effected on terms to be agreed with the respective creditors. Any resulting balances outstanding following such disposals will be dealt with as unsecured claims pursuant to the terms of the Proposal.

10 EMPLOYEE CLAIMS

- 10.1 No employee claims are expected to rank for dividend.
- 10.2 Accrued holiday pay and wages will be paid to continuing employees in the ordinary course of business.

11 FULL AND FINAL SETTLEMENT

This Proposal is in full and final settlement of all claims by creditors against the partnership.

- 11.1 The issue of a Completion Certificate by the Supervisor as provided for in this Proposal will be accepted by creditors in full and final settlement of their claim, including claims which are liquidated, unliquidated, certain, uncertain or contingent.

included in this PVA and discharge any other obligation incumbent upon them under the terms of this Proposal, the Act and the Rules.

Connected parties

- 6.10 The partnership has no creditors who may be deemed to be connected persons within the meaning of Section 249 of the Act.

7 STATEMENT OF AFFAIRS & OUTCOME STATEMENT

- 7.1 All the partnership's assets, with estimates of their respective values, and the extent to which they are charged in favour of creditors, together with full details of the partnership's liabilities are disclosed in the Statement of Affairs at Appendix 4.

- 7.2 The Statement of Affairs has been produced on the basis that the partnership is wound-up.

- 7.3 The assets that the partnership owns are scheduled in the Statement of Affairs and a brief commentary is set out below: -

7.3.1 Freehold property at 62 Pall Mall, Chorley, Lancashire PR7 2LE, which we believe has an open market value of approximately £150,000. The property is subject to a legal charge dated 1 February 2000 in favour of National Westminster Bank as security for a bank loan. This legal charge also provides security for any other money that we owe to National Westminster Bank, including our overdraft facility of £17,000. We presently owe £7,882.17 for the bank loan and the bank account is presently overdrawn by the sum of £8,706.73.

7.3.2 Plant, machinery office furniture & equipment with a net book value of £1,175.

7.3.3 Two motor vehicles (2013 Nissan Primastar and 2012 Ford Transit) with a net book values of £5,120 and £5,813.

7.3.4 Stock with a cost value of approximately £21,000, includes stock of appliances for re-sale in the sum of approximately £15,000 that is subject to retention of title. Suppliers with Retention of Title are owed the sum of £14,834.

The stock subject to retention of titles claims, and the amount owed to the suppliers, has been offset and therefore excluded from the Outcome Statement as otherwise they will remove their stock and, following the issue of credit notes, the debts owed to them will be extinguished.

We propose to sell this stock and pay these suppliers in the normal course of business, because this is the only way that the business can continue trading and generate the profits to enable us to make the proposed payments to the PVA. If the stock was removed, the business will cease trading because it will have insufficient stock to sell.

The continuation of the business is also necessary to provide us with an income so that we can obtain re-mortgages of our properties, which would otherwise be impossible.

7.3.5 Trade debtors with a book value of £23,655.12, including the sum of £1,649.29 that is owed by a company now believed to be in liquidation.

7.3.6 Cash of £300.76 and 503.71 that is held in two savings accounts with National Westminster Bank.

7.4 All partnership assets are excluded from the PVA unless otherwise provided in this Proposal.

7.5 No assets are to be contributed to the PVA by third parties.

7.6 The Statement of Affairs includes a schedule of all of the partnership's creditors, together with amounts recorded as due to each in the partnership's books and records, except for the current amounts owed to suppliers that have retention of title claims to stock they have supplied, which are not yet due for payment, as stated in paragraph 7.3.4. If, for example, due to timing differences, these amounts differ from creditors' records, claims will be agreed by the Supervisor following approval of the PVA and the formal submission of claims.

7.7 The claims of the preferential creditors, if any arise, will be met in priority to unsecured creditors' claims.

7.8 The only debts which retain preferential status following the implementation of the Enterprise Act 2002 are amounts due to employees in respect of accrued pay and holiday pay. On the basis that the Proposal is approved as drafted, no redundancies are planned and therefore no preferential claims should arise.

Estimated Outcome Statement

7.9 At Appendix 5 is an estimated outcome statement comparing the likely dividends payable to creditors if the PVA is implemented or alternatively, were the partnership to be compulsorily wound up.

7.10 The estimated dividend to unsecured creditors will be 100 pence in the £, plus statutory interest, after the costs and expenses of the PVA.

- 7.11 The estimated dividend to unsecured creditors if the partnership was wound up is 92.29 pence in the £.

8 SECURED CREDITORS

- 8.1 The only secured creditor of the partnership is National Westminster Bank who hold a legal charge dated 1 February 2000 against the freehold property at 62 Pall Mall, Chorley, Lancashire PR7 2LE as security for a bank loan and any other money we owe, including our bank overdraft facility of £17,000.
- 8.2 The amount presently owed in respect of the loan is £7,882.17 and our main bank account is presently overdrawn in the sum of £8,706.73.
- 8.3 Any claim in the arrangement by any secured creditor, after taking into account the value or realisation of its security, shall rank as an unsecured claim.

9 FINANCE, LEASE AND RENTAL CREDITORS

- 9.1 None of the partnership's assets are subject to hire purchase or chattel leasing agreements but the partnership has entered into two rental agreements for the storage of appliances for re-sale and also for spares. It is intended that the partnership will maintain its normal periodic payments falling due under those agreements to avoid repossession, and damage to the partnership's business.
- 9.2 In any case where hire purchase, leased or rented assets are no longer required, disposal will be effected on terms to be agreed with the respective creditors. Any resulting balances outstanding following such disposals will be dealt with as unsecured claims pursuant to the terms of the Proposal.

10 EMPLOYEE CLAIMS

- 10.1 No employee claims are expected to rank for dividend.
- 10.2 Accrued holiday pay and wages will be paid to continuing employees in the ordinary course of business.

11 FULL AND FINAL SETTLEMENT

This Proposal is in full and final settlement of all claims by creditors against the partnership.

- 11.1 The issue of a Completion Certificate by the Supervisor as provided for in this Proposal will be accepted by creditors in full and final settlement of their claim, including claims which are liquidated, unliquidated, certain, uncertain or contingent.

including claims which are liquidated, unliquidated, certain, uncertain or contingent.

- 11.2 Any creditor who has commenced a legal process or other remedy, including any creditor with lien, distraint, walking possession and/or garnishee orders shall, upon acceptance of this Proposal by the requisite majority of creditors, be deemed to have waived such a claim and will rank alongside other unsecured creditors bound by the terms of this proposal.
- 11.3 The issue of a Completion Certificate by the Supervisor shall not prevent any person so entitled from recovering or seeking to recover payment from any person (other than the partnership) who may have been or have become liable for payment of any debts of the partnership by way of guarantee, surety or otherwise in the same manner as if this Proposal and approval had not been made and given.
- 11.4 Any unsecured creditor who was not notified of the Proposal shall be bound by the PVA in all respects, thereby ranking for dividend. In order to be considered for a dividend, any such unsecured creditor shall, within 28 days of becoming aware of the PVA and its terms, notify the Supervisor in writing of its claim.
- 11.5 If by the date of such notification payment has already taken place of any dividends to any class of unsecured creditor the unsecured creditor is not entitled to disturb the distribution of the dividend but is entitled to be paid out of any money for the time being available for the payment of any further dividend, any dividend or dividends which it has failed to receive. Upon successful completion of the PVA any payment made to such an unsecured creditor shall be deemed to be made in full and final settlement of that unsecured creditor's claims against the partnership.

12 ANTECEDENT TRANSACTIONS AND CLAIMS

- 12.1 To the best of our knowledge there are no circumstances giving rise to actual or potential claims under the following sections of the Act, in the event of the partnership going into voluntary arrangement:
 - 12.1.1 Section 238 (transactions at an undervalue)
 - 12.1.2 Section 239 (preferences)
 - 12.1.3 Section 244 (extortionate credit transactions)
- 12.2 In the period between this proposal being received by creditors, and their approval of it, in order to continue trading it may become necessary to pay a supplier to obtain essential goods and services to procure the continuation of the partnership's trade.

13 PREVIOUS FAILURES

- 13.1 None of the partners have been involved as directors in any corporate insolvency, and none of the partners have been involved in any personal insolvency as individuals.
- 13.2 It is the intention of both partners to offer proposals to their personal creditors, and also the creditors of the partnership business, for Individual Voluntary Arrangements.

14 GUARANTEES

- 14.1 No guarantees or security will be given by the partners or any other person in connection with the PVA.

15 DIVIDENDS

Dividend Entitlement

- 15.1 Creditors shall not be entitled to receive any payment or dividend under the terms of the Proposal unless they are bound by it and their claim has been admitted by the Supervisor.

Payment of Dividends

- 15.2 All dividends to be paid under the PVA shall be made by crossed cheque sent by first class post addressed to the relevant creditors at their respective addresses shown in the books of the partnership or on the proof of debt submitted. Neither the Supervisor nor the partnership shall be responsible for any loss in transmission. The encashment of any such cheque shall be a good discharge to the partnership for the monies represented thereby.

Dividend distributions

- 15.3 Dividends will be paid at the earliest practicable date, where funds allow. The Supervisor is not obliged to pay a dividend to the unsecured creditors until the claims (if any) of the preferential creditors have been paid in full, and thereafter, the Supervisor using his sole discretion shall, subject to the retention of such sums he considers necessary for the expenses of the PVA and creditors' claims received but not yet agreed, declare and distribute dividends amongst the creditors in respect of their claims which have been admitted.

16 NOMINEE AND SUPERVISOR

- 16.1 The Nominee to the PVA is Jonathan Mark Taylor, a member of T H Financial Recovery, of Suite 101 & 102, Empire Way Business Park, Liverpool Road, Burnley BB12 6HH.

- 16.2 The proposed Supervisor of the PVA is Jonathan Mark Taylor, a member of T H Financial Recovery, of Suite 101 & 102, Empire Way Business Park, Liverpool Road, Burnley BB12 6HH.
- 16.2 The Nominee and intended Supervisor is authorised to act as an Insolvency Practitioner in the United Kingdom by the Insolvency Practitioners Association, and the Nominee and Supervisor has confirmed to the partners that he is qualified to act in relation to the partnership.
- 16.3 Neither the Nominee nor the Supervisor has advised the partners or the partnership prior to discussions concerning our Proposal for a PVA. T H Financial Recovery was referred to the partners by Raven & Co. I understand they will be paid an amount of £3,000 by T H Financial Recovery for their assistance with the preparation of the financials associated with the proposal. This will be paid from the Nominee's fee and is not an additional cost. We understand that Raven & Co introduces a significant volume of work to the Nominee, resulting in a substantial proportion of his fee income.
- 16.4 The Nominee is to be paid £6,000 (excluding VAT) by way of remuneration. The Nominee's remuneration, and any necessary fees and expenses of Solicitors or agents employed by the Nominee, or direct expenses of the Nominee, will be paid first out of monies coming into the PVA.
- 16.5 The Nominee will be entitled to receive further remuneration of £500 plus VAT and disbursements in respect of each and any adjournment to the meetings of members and creditors to consider the Proposal, where that adjournment is to a different day to that of the original meeting(s).
- 16.6 The Supervisor will be entitled to receive remuneration for his services fixed by reference to the time properly given by him and his staff in attending to matters arising in the PVA, at T H Financial Recovery's standard charging rates, together with disbursements (including for the avoidance of doubt legal fees).
- 16.7 The Supervisor shall in any event be entitled to draw on account and from time to time, such sums as they consider appropriate in relation to his accruing costs.
- 16.8 The estimated total fee to be paid to the Supervisor, dealt with in the Estimated Outcome Statement, is £5,000. This estimate is necessarily made on the basis of certain assumptions, the principal of which are: -
- 16.8.1 The Proposal is approved as drafted, or substantively as drafted
- 16.8.2 No circumstances arise under which the Supervisor is obliged to issue a default certificate under the terms of the PVA

16.8.3 No circumstances arise under which the Supervisor is obliged to convene meetings of creditors and members to consider a variation to the PVA

16.8.4 All contributions into the PVA are received on time

16.9 Only expenses and disbursements properly incurred in relation to the case will be re-charged to the PVA. This will include external supplies of incidental expenses specifically identifiable to the PVA (known as "Category 1 disbursements"). This will also include mileage costs (calculated using the HM Revenue and Customs standard mileage rate) which relate specifically to the case and are incurred by the Nominee and the Supervisor and his staff (known as "Category 2 disbursements"), will also be re-chargeable to the PVA.

16.10 Notwithstanding any other terms of this Proposal, all assets of the partnership together with any assets held by the Supervisor under the terms of this Proposal will be subject to a trust in favour of the Supervisor until full discharge of the Nominee's and Supervisor's fees and expenses, including the expenses of any solicitors, agents or other advisors employed by the Nominee and Supervisor.

16.11 A creditors' guide to voluntary arrangement fees is available on the website of the T H Financial Recovery at www.thfr.co.uk/stakeholderlogin or on request from T H Financial Recovery. Details of T H Financial Recovery's charging policy and standard charging rates for fees and disbursements are set out at Appendix 7 to this Proposal.

17 NO WARRANTIES OR REPRESENTATIONS

17.1 The Supervisor gives no warranties and makes no representations in relation to the information contained in the Proposal and Appendices 2 to 6.

18 RELEASE OF SUPERVISOR

18.1 On the termination of the PVA, the Supervisor is released by each creditor from all liabilities and obligations in respect of acts and omissions of his or otherwise in relation to his conduct as Supervisor. Each creditor shall and hereby does waive all claims or rights which he may have against the Supervisor in respect of such matters. Furthermore, the Supervisor incurs no personal liability in respect of any part of this proposal.

19 CREDITORS COMMITTEE

19.1 Where it is resolved that a Creditors Committee will be established, the functions and powers of the Committee will be determined at the time of establishment.

20 VARIATION, MATERIAL FAILURE, IRREGULARITY OR NON-COMPLIANCE

- 20.1 In the event of material failure, irregularity or non-compliance Paragraph 24 Standard Terms & Conditions will apply. However, the supervisor may, if he deems appropriate, utilise a decision procedure to resolve any matter under the arrangement, to seek the views of creditors, or to vary its terms. Creditors must be given at least 28 days' notice of the date on which completed proxies must be received by the supervisor for their votes to be valid. Notice shall be accompanied by a form of proxy detailing each resolution sought, together with for and against options for each resolution. At least one valid proxy must be received for a resolution to be approved (subject to below), and in the case of a resolution varying the terms of the arrangement a majority equal to or in excess of three-quarters in value of those voting by proxy is required to pass the resolution. Any other resolution is deemed passed by a simple majority in value of those voting by proxy.
- 20.2 Any resolution to end the arrangement early may also instruct the supervisor to petition for the partnership's winding up. The supervisor need only do so if there are sufficient funds available from funds not yet distributed within the arrangement, but the supervisor is not required to retain funds specifically for that purpose. If creditors vote to end the arrangement early, with or without instructions to petition, the supervisor will issue a certificate of failure of the arrangement and will then complete his/her administration, including any final distribution.
- 20.3 Whether material failure, irregularity or non-compliance has arisen in connection with the PVA shall be determined by the Supervisor at his sole discretion, and shall include (but not be restricted to) the following circumstances: -
- 20.3.1 Where contributions due become more than two months in arrears.
- 20.3.2 Where the partnership fails to increase contributions, if so requested to do by the Supervisor.
- 20.3.3 Where the partnership fails to reimburse the Supervisor for VAT incurred in the PVA, as provided for in the Proposal.
- 20.3.4 Failure to co-operate with the Supervisor

21 END OF ARRANGEMENT

- 21.1 The PVA shall cease once there are no further funds or assets being held by the partnership or the Supervisor under the terms of the Proposal and the Supervisor has issued a Certificate of Completion.

22 STANDARD CONDITIONS

- 22.1 All conditions set out in the copy of the T H Financial Recovery Company Voluntary Arrangement Standard Conditions (Appendix 1) shall be applicable to this Partnership Voluntary Arrangement proposal. However, where there is a conflict between the Standard Conditions and this proposal, this proposal shall prevail. All references in the Standard Conditions which do not adhere to statutory requirements in the Insolvent Partnerships Order 1994, Insolvency Rules 2016, the Insolvency Rules 2016 shall prevail.
- 22.2 Any references in this proposal (including the standard conditions) to creditor's meetings shall mean virtual meetings pursuant to the Insolvency Rules 2016. The Supervisor will have the discretion to utilise any of the decision procedures or the deemed consent procedure (if appropriate) as prescribed in the Insolvency Rules 2016.

23 EC REGULATION

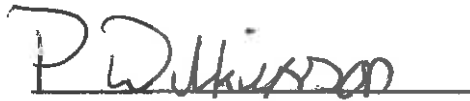
- 23.1 The EC Regulation applies, and these insolvency proceedings are main proceedings as defined by Article 3 of the Regulation.

24 PARTNERS' DECLARATION

- 24.1 As Partners, we confirm that this document fairly sets out the partnership's Proposal to its creditors and members for a PVA.
- 24.2 We confirm that we have disclosed to the Nominee full and complete particulars of all assets and liabilities of the partnership, whether actual or contingent.
- 24.3 We acknowledge that we will commit an offence if we make any false representation to creditors in this Proposal or at any meeting of creditors for the purposes of obtaining the creditors' approval to this Proposal, such offence to be punishable by imprisonment and/or a fine.
- 24.4 We acknowledge that it has been explained to the partners that the Nominee has a duty to ensure a fair balance between the partnership's interests and the interest of its creditors and any other parties involved. The Nominee has explained to us that we have the right to take independent legal advice in relation to this Proposal.
- 24.5 We have read and understand the contents of this Proposal. We have also received such advice as we consider necessary to enable the partners to understand the nature and effect of the Proposal.
- 24.6 We acknowledge that although we have received professional assistance in drafting this Proposal, its contents and the accuracy thereof remain our sole responsibility.

24.7 We have included in this Proposal to creditors and members all the information required to be disclosed pursuant to the Act and the Rules. The information and all statements contained herein, and the accompanying Statement of Affairs, are true to the best of our knowledge and belief.

Signed

A handwritten signature in dark ink, appearing to read 'P. Wilkinson', written over a horizontal line.

Paul Gerard Wilkinson - Partner

Signed

A handwritten signature in dark ink, appearing to read 'J. Wilkinson', written over a horizontal line.

Julie Enid Wilkinson - Partner

AZTEC DOMESTICS

PARTNERSHIP VOLUNTARY ARRANGEMENT

A copy of the Company Voluntary Arrangement standard conditions can be obtained on request or viewed on our website at www.thfr.co.uk/cva and these conditions will be applied to this Partnership Voluntary Arrangement in accordance with the Insolvent Partnerships Order 1994

AZTEC DOMESTICS

PARTNERSHIP VOLUNTARY ARRANGEMENT

GENERAL INFORMATION

Date of Establishment	1 September 1995	
Trading Address	62 Pall Mall Chorley Lancashire PR7 2LE	
Nature of Business	Sale and Repair of Domestic Appliances	
Partners/Members & Ownership	Paul Gerard Wilkinson	50%
	Julie Enid Wilkinson	50%
Bankers	National Westminster Bank 46 Market Street Chorley Lancashire PR7 2RZ	
Security	Legal charge against freehold property at 62 Pall Mall, Chorley, Lancashire PR7 2LE dated 1 February 2000 in favour of National Westminster Bank Plc.	
Employees	Full-time: 2	
	Part-time: 0	
	Partners: 2	

AZTEC DOMESTICS

PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDING 31 AUGUST 2016

	2016 £	2015 £	2014 £
TURNOVER	284,113	275,760	269,881
COST OF SALES	-122,723	-141,946	-141,064
GROSS PROFIT	161,390 56.8%	133,814 48.5%	128,817 47.7%
ADMINISTRATIVE EXPENSES	-79,858	-74,733	-71,086
OPERATING PROFIT / LOSS	81,532	59,081	57,731
INTEREST RECEIVED	1	1	0
INTEREST PAYABLE	-45	-221	-228
NET PROFIT / (LOSS) FOR YEAR	<u>81,488</u>	<u>58,861</u>	<u>57,503</u>

AZTEC DOMESTICS

BALANCE SHEET AS AT 31 AUGUST 2016

	2016 £	2015 £	2014 £
FIXED ASSETS			
Land & buildings	45,000	45,000	45,000
Plant & machinery	1,286	1,715	2,287
Motor vehicles	8,593	11,458	15,278
Office equipment & furniture	79	105	140
CURRENT ASSETS			
Stock	21,000	21,000	21,000
Debtors	0	0	0
Cash at bank & in hand	1,429	1,667	3,167
TOTAL ASSETS	<u>77,387</u>	<u>80,945</u>	<u>86,872</u>
 CREDITORS due within one year	 -102,607	 -108,547	 -95,247
NET CURRENT ASSETS / LIABILITIES	<u>-25,220</u>	<u>-27,602</u>	<u>-8,375</u>
 Creditors due after more than one year	 0	 -2,148	 -7,758
TOTAL NET ASSETS/LIABILITIES	<u><u>-25,220</u></u>	<u><u>-29,750</u></u>	<u><u>-16,133</u></u>
 FINANCED BY			
Partners' Current Accounts	-25,220	-29,750	-16,133
SHAREHOLDERS FUNDS	<u><u>-25,220</u></u>	<u><u>-29,750</u></u>	<u><u>-16,133</u></u>

Rule 2.11 and 2.14

Statement of Affairs

Statement as to the affairs of

Name of Company

AZTEC DOMESTICS

date

as at 8 May 2018

Statement of truth

We believe that the facts stated in this Statement of Affairs are true.

Signed P. Wilkinson
Paul Gerard Wilkinson

Signed J. Wilkinson
Julie Enid Wilkinson

AZTEC DOMESTICS

ESTIMATED STATEMENT OF AFFAIRS AS AT 8 MAY 2018

A – Summary of Assets

	Book Value	Estimated to Realise
Assets subject to fixed charge:		
Freehold Property: 62 Pall Mall	150,000	127,500
National Westminster Bank Plc	(7,882)	(7,882)
National Westminster Bank Plc	(8,707)	(8,707)
Equity		<u>110,911</u>
		110,911
Assets:		
Plant, Machinery, Office Furniture & Equipment	1,175	400
Motor Vehicles (2 vans)	10,933	8,500
Stock	21,000	15,000
Book Debts	23,655	18,924
Cash at Bank (2 accounts)	804	804
Estimated total assets available for preferential creditors		<u>154,539</u>

Signature

Paul Gerard Wilkinson
Julie Enid Wilkinson

Date

10/5/18

Paul Gerard Wilkinson Julie Enid Wilkinson

AZTEC DOMESTICS

A1 – Summary of Liabilities

	Estimated to Realise
Estimated total assets available for preferential creditors (carried from page A)	154,539
Preferential creditors:	
None	0
Total Preferential Claims	<u>0</u>
 Total assets available to unsecured creditors	 154,539
 Unsecured non-preferential claims	
Trade suppliers	14,834
HM Revenue & Customs	103,659
Redundancy	5,075
	<u>(123,568)</u>
 Estimated surplus / deficiency as regards non-preferential creditors	 <u><u>30,971</u></u>

Signature




Paul Gerard Wilkinson Julie Enid Wilkinson

Date

10/5/18

B
PARTNERSHIP CREDITORS

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the partnership's possession.

Name of creditor or claimant	Address (with postcode)	Amount of debt	Details of any security held by creditor	Date security given	Value of security £
HM Revenue & Customs	The Voluntary Arrangements Service, Durrington Bridge House, Barrington Road, Worthing BN12 4SE	£103,659.06			0
National Westminster Bank Plc	Credit Management Services, Kendal Court, Ironmasters Way, Telford TF3 4DT	£7,882.17	Legal charge against 62 Pall Mall, Chorley PR7 2LE	01/02/2000	7,882
National Westminster Bank Plc	Credit Management Services, Kendal Court, Ironmasters Way, Telford TF3 4DT	£8,706.73	Legal charge against 62 Pall Mall, Chorley PR7 2LE	01/02/2000	8,707
Trade Suppliers		£14,834.08			0
Redundancy Payments Service	PO Box 16685, Birmingham B2 2LX	£5,075.07			0
Totals		£140,157.11			16,589

Signature P. Wilkinson Date 10/5/18
J. Wilkinson
 Paul Gerard Wilkinson Julie Enid Wilkinson

C

PARTNERSHIP MEMBERS

Name of member	Address (with postcode)		Ownership	
Julie Enid Wilkinson	3 Sutton Grove, Chorley, Lancashire PR6 8UL		50%	
Paul Gerard Wilkinson	3 Sutton Grove, Chorley, Lancashire PR6 8UL		50%	

Signature P. Wilkinson
Paul Gerard Wilkinson

Date 10-5-18

Signature J. Wilkinson
Julie Enid Wilkinson

Date 10/5/18

AZTEC DOMESTICS

ESTIMATED PVA OUTCOME AND COMPARISON WITH LIQUIDATION AS AT 8 MAY 2018

		PVA Estimated Outcome		Liquidation Estimated Outcome	
	Notes	Book Value £	Est. to Realise £	Estimated to Realise £	£
Excluded Assets					
Freehold property (62 Pall Mall, Chorley)	1	150,000		127,500	
Bank loan		-7,882		-7,882	
Bank overdraft		-8,707		-8,707	
Equity/re-mortgage		<u>133,411</u>	105,000		110,911
Plant, machinery, office furniture & equipment	2	1,175	-	400	
Motor vehicles (2 vans)	3	10,933	-	8,500	
Stock	4	21,000	-	15,000	
Debtors	5	23,655	-	18,924	
Cash at bank (2 accounts)	6	804	-	804	43,628
		<u>57,568</u>	-		
Included Assets					
Voluntary Contributions (£2,000 per month x 12)	7		<u>24,000</u>		-
Estimated Total Assets Available			129,000		154,539
Costs					
Nominee's fee		6,000		-	
Supervisor's fees		5,000		-	
Disbursements		1,217		-	
Secretary of State fees				6,000	
Official Receiver's fees				5,000	
Liquidator's fees				20,000	
Asset agent's fees & disbursements		-		7,500	
Petition costs (estimate)	8	875		2,000	
VAT (will be recovered by liquidator)		<u>0</u>	-13,092	<u>0</u>	-40,500
Assets Available for Unsecured Creditors			115,908		114,039
Preferential Creditors			<u>0</u>		<u>0</u>
Assets Available for Non-Preferential Creditors			115,908		114,039
Liabilities					
VAT & surcharges	9	103,659		103,659	
Redundancy claims	10	-		5,075	
Statutory interest	11	8,293		0	
Trade suppliers	12	-	-111,952	<u>14,834</u>	-123,568
Surplus / -Shortfall to Unsecured Creditors			<u>3,956</u>		<u>-9,529</u>
Dividend to Non Preferential Creditors			100.00 p in £		92.29 p in £

3. Motor Vehicles

The partnership owns 2 motor vehicles that are used for deliveries and attending sites to carry out repairs, which were purchased with the assistance of finance agreements and the final payments under these agreements were made during the last 12 months.

These motor vehicles, which are both vans, their net book values and the amounts that they are estimated to realise in a liquidation scenario, are as follows: -

	Date First Registered	Net Book Value £	Liquidation Value (est.) £
Nissan Primastar SWB 2.7t 2.0 dCi SE+	29.04.2013	5,120	4,000
Ford Transit SWB 2.2TDCi 260 S Sport	02.03.2012	5,813	4,500

4. Stock

The partnership holds stock at three locations; new appliances and spares at the main business premises, new appliances in a nearby storage unit and a stock of spares in a container. The stock of new appliances for re-sale has a combined cost value of approximately £15,000 and the stock of spares has a combined cost value of approximately £6,000.

The partners advise that all appliances for re-sale are subject to retention of title claims by the suppliers, who are presently owed the sum of £14,834 (see paragraph 12 below and paragraph 7.3.4 of the PVA proposal). The partners state that any notification of insolvency to the suppliers will result in them removing the stock. Credit notes should be issued, which will probably more or less extinguish the creditors' claims.

If the partnership went into liquidation, the stock will be sold by an agent instructed by the liquidator and would probably realise no more than the sum of approximately £8,000. However, this includes the stock subject to retention of title and, if this is removed, the remaining stock will realise no more than £1,500.

By continuing to trade the partnership will generate the maximum financial return from the stock, which will enable the partnership to make the future monthly payments into the PVA.

5. Debtors

The Partnership is presently owed debts of £23,655.12 by six contract customers (local councils, housing associations and estate agents) and the partners believe that, except for one debtor for £1,649 who is in liquidation, the remainder of these debts should be fully recoverable if the partnership continues to trade.

However, if the partnership ceased trading, the debtors will usually be reluctant to readily make payment because they will be concerned about the loss of warranties on the appliances that have been supplied and on repair work undertaken and will probably request discounts before they will make payment. After taking these factors into account, an assessment has been made of the approximate amount that is likely to be recovered if the partnership went into liquidation.

6. Cash at Bank

The partnership's main bank account is overdrawn and secured by a legal charge against the freehold property, as mentioned in paragraph 1 above, but the partnership has two further savings accounts, which are used to reserve money for the payment of VAT and other expenses, that presently hold the sums of £300.76 and £503.71.

3. Motor Vehicles

The partnership owns 2 motor vehicles that are used for deliveries and attending sites to carry out repairs, which were purchased with the assistance of finance agreements and the final payments under these agreements were made during the last 12 months.

These motor vehicles, which are both vans, their net book values and the amounts that they are estimated to realise in a liquidation scenario, are as follows: -

	Date First Registered	Net Book Value £	Liquidation Value (est.) £
Nissan Primastar SWB 2.7t 2.0 dCi SE+	29.04.2013	5,120	4,000
Ford Transit SWB 2.2TDCi 260 S Sport	02.03.2012	5,813	4,500

4. Stock

The partnership holds stock at three locations; new appliances and spares at the main business premises, new appliances in a nearby storage unit and a stock of spares in a container. The stock of new appliances for re-sale has a combined cost value of approximately £15,000 and the stock of spares has a combined cost value of approximately £6,000.

The partners advise that all appliances for re-sale are subject to retention of title claims by the suppliers, who are presently owed the sum of £14,834 (see paragraph 12 below and paragraph 7.3.4 of the PVA proposal). The partners state that any notification of insolvency to the suppliers will result in them removing the stock. Credit notes should be issued, which will probably more or less extinguish the creditors' claims.

If the partnership went into liquidation, the stock will be sold by an agent instructed by the liquidator and would probably realise no more than the sum of approximately £15,000.

By continuing to trade the partnership will generate the maximum financial return from the stock, which will enable the partnership to make the future monthly payments into the PVA.

5. Debtors

The Partnership is presently owed debts of £23,655.12 by six contract customers (local councils, housing associations and estate agents) and the partners believe that, except for one debtor for £1,649 who is in liquidation, the remainder of these debts should be fully recoverable if the partnership continues to trade.

However, if the partnership ceased trading, the debtors will usually be reluctant to readily make payment because they will be concerned about the loss of warranties on the appliances that have been supplied and on repair work undertaken and will probably request discounts before they will make payment. After taking these factors into account, an assessment has been made of the approximate amount that is likely to be recovered if the partnership went into liquidation.

6. Cash at Bank

The partnership's main bank account is overdrawn and secured by a legal charge against the freehold property, as mentioned in paragraph 1 above, but the partnership has two further savings accounts, which are used to reserve money for the payment of VAT and other expenses, that presently hold the sums of £300.76 and £503.71.

7. Voluntary Contributions

The partners have assessed the partnership's forecasted income and expenses for the next 12 months and believe that the partnership can comfortably afford to pay £2,000 per month into the proposed PVA; in addition to the partnership making ongoing payments to suppliers and to HM Revenue & Customs for VAT and PAYE.

8. Petition Costs

A winding up petition has been issued against the partnership and, if creditors accept the partners' proposal for a PVA, the costs in connection with the issue of the petition will be paid before any dividends are paid to creditors. The winding up petition confirms that the amount of the costs in connection with the issue of the winding up petition amount to £875.

9. HM Revenue & Customs

VAT - The partnership's VAT returns have been filed up to date, with the latest VAT return filed being for the quarter ended 31 March 2018. This latest VAT return showed an amount payable of £8,399.96 and this was paid online on 4 May 2018.

The winding up petition issued by HM Revenue & Customs confirms that all previous VAT returns have been filed up to 31 December 2017 and that the amount owed for VAT and surcharges is £100,019.08. The partners have estimated the VAT for the period 1 April 2018 to date.

PAYE - The partnership's accountants calculate the wages for the partnership's two employees and file the monthly PAYE return at the same time. These returns have been filed up to date and, because the partnership have provided a direct debit authority to HM Revenue & Customs, the amounts owed have all been collected. Consequently, there is no outstanding liability for PAYE.

10. Redundancy claims

If the partnership is placed into liquidation, the 2 employees of the business will submit claims for redundancy, but these claims will not arise if the partnership continues to trade. These two potential claims have been calculated as £3,472.35 and £1,602.72.

11. Statutory Interest

Creditors will be paid statutory interest at the rate of 8% per annum, pro rata, on the amount of their claims from the date that the PVA is accepted until the debts have been fully repaid.

12. Trade Suppliers

As explained in paragraph 7.3.4 of the proposal, it is proposed that the claims of trade suppliers, which are for current invoices received during April and May 2018 that are not yet due for payment in the combined sum of £14,834, be excluded from the PVA for the following reasons: -

- 1) Retention of Title effectively provides these creditors with a first charge on the majority of the stock and therefore removing the stock will extinguish their claims.
- 2) The business would no longer be able to operate without the stock to sell.

Profit & Loss Forecast

Profit and Loss Forecast

AZTEC DOMESTICS

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Total
Sales Turnover													
Sales	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 300,000
Rental income	348	348	348	348	348	348	348	348	348	348	348	348	4,176
	25,348	25,348	25,348	25,348	25,348	25,348	25,348	25,348	25,348	25,348	25,348	25,348	304,176
Direct Costs													
Purchases	12,416	12,416	12,416	12,416	12,416	12,416	12,416	12,416	12,416	12,416	12,416	12,416	148,992
Vehicle running costs	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	14,400
	13,616	13,616	13,616	13,616	13,616	13,616	13,616	13,616	13,616	13,616	13,616	13,616	163,392
Total Direct Costs													
	11,732	11,732	11,732	11,732	11,732	11,732	11,732	11,732	11,732	11,732	11,732	11,732	140,784
Gross Profit													
G P as %	46.28%	46.28%	46.28%	46.28%	46.28%	46.28%	46.28%	46.28%	46.28%	46.28%	46.28%	46.28%	46.28%
Indirect Costs													
Partners' drawings (see note)	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	42,000
Employee wages (gross)	2,881	2,881	2,881	2,881	2,881	2,881	2,881	2,881	2,881	2,881	2,881	2,881	34,572
Rent (storage)	208	208	208	208	208	208	208	208	208	208	208	208	2,496
Council tax	17	17	17	17	17	17	17	17	17	17	17	17	204
Water rates	20	20	20	20	20	20	20	20	20	20	20	20	240
Heat and light	146	146	146	146	146	146	146	146	146	146	146	146	1,752
Telephone & internet	875	875	875	875	875	875	875	875	875	875	875	875	10,500
Professional/accountancy	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Advertising, post, stationery	391	391	391	391	391	391	391	391	391	391	391	391	4,692
Insurances	325	325	325	325	325	325	325	325	325	325	325	325	3,900
Repairs & maintenance	200	200	200	200	200	200	200	200	200	200	200	200	2,400
Bank charges & interest	500	500	500	500	500	500	500	500	500	500	500	500	6,000
Sundries	50	50	50	50	50	50	50	50	50	50	50	50	600
	8,313	8,313	8,313	8,313	8,313	8,313	8,313	8,313	8,313	8,313	8,313	8,313	111,756
Total Indirect Costs													
	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	2,419	29,028
Net Profit before Tax													
	1,183	1,183	1,183	1,183	1,183	1,183	1,183	1,183	1,183	1,183	1,183	1,183	14,198
Income Tax & Class 4 NI													
	1,236	1,236	1,236	1,236	1,236	1,236	1,236	1,236	1,236	1,236	1,236	1,236	14,832
Net Profit After Tax													

Note: The partners drawings include provision of £1,183 per month for the payment of income tax and class 4 national insurance on the business profits

PROFIT ESTIMATION	
Profit Above	29,028
Add Drawings	42,000
Less Depreciation	-504
Taxable Profit	70,524

Cash Flow Projections

	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
Sales Revenue												
Sales	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000	£ 25,000
Rental income	348	348	348	348	348	348	348	348	348	348	348	348
Output VAT	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Gross Income	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348	30,348
Direct Costs												
Purchases	12,416	12,416	12,416	12,416	12,416	12,416	12,416	12,416	12,416	12,416	12,416	12,416
Vehicle running costs	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Input VAT	2,723	2,723	2,723	2,723	2,723	2,723	2,723	2,723	2,723	2,723	2,723	2,723
Total Direct Costs	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339	16,339
Indirect Costs												
Partners' drawings (see note)	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Employee wages (net)	2,161	2,161	2,161	2,161	2,161	2,161	2,161	2,161	2,161	2,161	2,161	2,161
Rent (storage)	208	208	208	208	208	208	208	208	208	208	208	208
Council tax	17	17	17	17	17	17	17	17	17	17	17	17
Water rates	20	20	20	20	20	20	20	20	20	20	20	20
Heat and light	146	146	146	146	146	146	146	146	146	146	146	146
Telephone & internet	875	875	875	875	875	875	875	875	875	875	875	875
Professional/accountancy	200	200	200	200	200	200	200	200	200	200	200	200
Advertising, post, stationery	391	391	391	391	391	391	391	391	391	391	391	391
Insurances	325	325	325	325	325	325	325	325	325	325	325	325
Repairs & maintenance	200	200	200	200	200	200	200	200	200	200	200	200
Bank charges & interest	500	500	500	500	500	500	500	500	500	500	500	500
Sundries	50	50	50	50	50	50	50	50	50	50	50	50
HM Revenue & Customs (PAYE)	0	720	720	720	720	720	720	720	720	720	720	720
Input VAT	333	333	333	333	333	333	333	333	333	333	333	333
HM Revenue & Customs (VAT)	1,648	0	0	5,831	0	0	5,831	0	0	5,831	0	0
PVA Contributions	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
Total Indirect Costs	12,674	11,646	11,646	17,477	11,646	11,646	17,477	11,646	11,646	17,477	11,646	11,646
Net Income/Expenditure	1,435	2,363	2,363	-3,468	2,363	2,363	-3,468	2,363	2,363	-3,468	2,363	2,363
Bank Account												
Opening Balance	804	2,239	4,602	6,964	3,496	5,859	8,221	4,753	7,116	9,478	6,010	8,373
Funds Movement	1,435	2,363	2,363	-3,468	2,363	2,363	-3,468	2,363	2,363	-3,468	2,363	2,363
Closing Balance	2,239	4,602	6,964	3,496	5,859	8,221	4,753	7,116	9,478	6,010	8,373	10,735

Note: The partners drawings includes provision of £1,183 per month for the payment of income tax and class 4 national insurance

TH FINANCIAL RECOVERY**CHARGE OUT RATES AND DISBURSEMENT POLICY**Effective from 1st April 2018**CHARGE OUT RATES**

Category	£ per hour
Partner / Director	275
Manager	200
Senior Administrator	150
Junior Administrator	90

NB: Time is recorded in six minute units.

CATEGORY 2 DISBURSEMENTS POLICY

Disbursement	£
Mileage expenses incurred specifically relating to the case (up to 10,000 miles – 0.25 per mile thereafter)	0.45 per mile
Money laundering search (per case)	12
Company search (per case)	10
Document storage (per box for the life of the case)	50
Use of Board Room (meeting / virtual meeting)	60

IN THE MATTER OF THE INSOLVENT PARTNERSHIPS ORDER 1994

AND IN THE MATTER OF

AZTEC DOMESTICS

NOMINEE'S REPORT

I, Jonathan Mark Taylor of T H Financial Recovery

HEREBY REPORT to the Court as follows:

- 1** I am the Nominee under the Proposal of the Partners of 'Aztec Domestics' "the partnership" in respect of a voluntary arrangement with the partnership's creditors under the Insolvent Partnerships Order 1994 in respect of its debts. I am duly qualified to act as an Insolvency Practitioner and as the Nominee in respect of the proposed voluntary arrangement of the above partnership.
- 2** As required by Section 2(2) of Part I, Schedule I of the Insolvent Partnerships Order 1994, I hereby submit my report to the court.
- 3** The Partners of the partnership have delivered to me a Proposal for a Voluntary Arrangement, together with a Statement of Affairs, copies of which are attached.

- 4 I have considered the Partners' Proposal and Statement of Affairs and I have had the opportunity of discussing these with the Partners.
- 5 My report and comments on the Partners' proposal are set out below.
- 6 I confirm that, as is my standard practice, I have advised the Partners that it is an offence to make a false representation for the purpose of obtaining the approval of the partnership's creditors and members to a proposal for a voluntary arrangement.
- 7 The Partners have co-operated fully with me as Nominee at all times and supplied to me all of the information that I have requested.
- 8 The main centre of business of the partnership is 62 Pall Mall, Chorley, Lancashire PR7 2LE and I consider that the EC Regulations on Insolvency Proceedings will apply and that these proceedings will be the main proceedings as defined in Article 3 of the EC Regulation.
- 9 My investigations into the partnership's circumstances comprised a review of the information provided to me by the Partners, including the business accounts for the 3-year period ended 31 August 2018, business bank statements for the period 1 February 2018 to 23 April 2018 plus current balance confirmations, creditors schedule, debtors schedule and breakdowns and creditor correspondence.
- 10 I have not seen a formal business plan, but the partners have provided a projected profit & loss account for the next 12 months and I have compared this with the previous annual accounts, the last 3 months' bank statements, recent VAT returns and I have questioned the partners about the content. As a result of these enquiries, whilst I am unable to confirm all of the figures, I have no reason to doubt their accuracy.

- 11 I am informed by the partners that the partnership's accountants have commenced work on preparing the partnership's financial statements for the year ended 31 August 2017 and that these should be available in the next 3-4 weeks.
- 12 The asset valuations in the Statement of Affairs are based on the Partner's estimates except for the value of the motor vehicles, which has been obtained by online valuations from Auto Trader.
- 13 I have been unable to verify the valuation of the freehold commercial property online by using Zoopla or Mouseprice; in view of the individual nature of the commercial property, but I have no reason to doubt the partners' estimate of the property's value.
- 14 I have obtained a search from Land Registry, which confirms that a legal charge dated 1 February 2000 in favour National Westminster Bank was registered against the property at 62 Pall Mall, Chorley, Lancashire PR7 2LE on 15 March 2000.
- 15 The partners have provided me with statements for the loan account and all bank accounts, including the overdrawn bank account, which confirms the amounts shown in the proposal, two of which are secured against the freehold commercial property.
- 16 The partners propose to re-mortgage this property and/or their residential property at 3 Sutton Grove, Chorley, Lancashire PR 6 8UL, whichever will provide sufficient funds at the earliest opportunity to fully repay all of the creditors of the partnership plus statutory interest.
- 17 The partners advise that their residential property has an open market value of approximately £190,000 and I have obtained an online valuation from Zoopla, which estimates that the property presently has an open market value of approximately £199,000.

- 18 The residential property is subject to a mortgage and the partners have provided a statement from National Westminster Bank, which shows an amount owed in the sum of £31,074.99 as at 8 May 2018.
- 19 The voluntary arrangement cannot alter the rights of any secured creditor without their consent.
- 20 HM Revenue and Customs are the majority creditor, however their attitude towards the proposal is presently unknown.
- 21 H M Revenue & Customs have issued a winding up petition against the partnership and I have been provided with this petition, which was issued on 6 April 2018 and is currently listed for hearing on 23 May 2018. An adjournment of this hearing will be sought so that creditors may consider the proposed PVA as an alternative to the liquidation of the partnership.
- 22 Bankruptcy petitions were also issued against both partners by HM Revenue & Customs on 6 April 2018 and the partners have instructed me to prepare proposals for Individual Voluntary Arrangements on their behalf. The IVAs will also provide a dividend of 100 pence in the £ to their unsecured creditors.
- 23 The liabilities of the partnership are shown at the amounts ascribed to them by the Partners. There are no practical steps I can take to confirm independently that the Partners have disclosed all of the partnership's liabilities, however the schedule of creditors is complete and accurate based on the documentation that the Partners have provided to me.
- 24 I take this opportunity to draw creditors attention to paragraph 7.3 of the proposals which refers to trade suppliers (which I am advised are within contractual payment terms of less than 30 days) who possess retention of title claims and are to be excluded from the proposals. Whilst I have not been able to verify the validity of the claims, the Partners confirm that the suppliers will be

paid in the normal course of business. This is necessary to ensure the business is able to retain the stock for sale and ensure continued support in the future.

- 25 I am not aware of any guarantee or contractual claims, liabilities under property leases (actual or contingent), contingent liabilities, debts for an unliquidated amount.
- 26 I am not aware of any creditors with special rights e.g. insured claims.
- 27 I am not aware of any claims, including transactions at an undervalue, preferences, extortionate credit transactions or voidable charges, which may be challenged or considered void by an Administrator or a Liquidator.
- 28 The information and explanations provided to me by the Partners have not been audited. Except where stated below, I have necessarily relied on the information and explanations given to me by the Partners.
- 29 The Proposal and the Statement of Affairs are a fair and reasonable reflection of the facts given to me by the Partners during our discussions, and of the documents provided to me, and to this extent reliance can be placed upon them.
- 30 I have prepared an Estimated Outcome Statement derived from the Partner's Statement of Affairs which is attached to this report. The Estimated Outcome Statement compares the likely consequences of approval by creditors of the Proposal, as drafted, as compared to that which is likely in the event of the liquidation of the partnership.
- 31 The Estimated Outcome Statement is prepared after taking into account the expected costs of the proceedings. Specifically, and as provided for at Paragraph 16.4 of the Proposal, £6,000 is proposed to be paid to me for acting as Nominee. This amount will be increased by £500 in the event that it is necessary for any meeting of creditors convened to consider the Proposal to be adjourned.

- 32 This firm was referred to the partners by Raven & Co. Raven & Co will be paid an amount of £3,000 by T H Financial Recovery for their assistance with the preparation of the financials associated with the proposal. Note this will be paid from the Nominee's fee (discussed above) and is not an additional cost. We take this opportunity to advise you that Raven & Co introduces a significant volume of our work, resulting in a substantial proportion of our fee income.
- 33 The Proposal also provides, at Paragraph 16.8, for the Supervisor to be remunerated on the basis of time costs. The Estimated Outcome Statement includes an estimate of the Supervisor's remuneration of £5,000, plus disbursements and VAT. This estimate is based on the following assumptions:-
- That the partnership pays all contributions due to the Supervisor on a timely basis
 - That financial and other management information will be provided to the Supervisor in accordance with the terms of the Proposal, time being of the essence.
 - The assets / contributions will be realised within 12 months and without any contentious matters arising
 - Creditors' claims are received on a timely basis and are not subject to any significant dispute
 - It is not necessary for the Supervisor to convene a further meeting of creditors with a view to obtaining approval for modifications to the Proposal
- 34 The Estimated Outcome Statement indicates that if the Partners' Proposal is approved as drafted, non-preferential creditors may reasonably expect a dividend of 100 pence in the pound.

- 35 If creditors reject the Proposal, it is likely that the partnership will suffer alternative insolvency proceedings. In the event of liquidation, the Estimated Outcome Statement shows that the dividend for non-preferential creditors is likely to be around 92.29 pence in the pound and it is likely that creditors will have to wait for a longer period to receive any dividend. However, it should be noted that realisations stated in the outcome statement are estimated and consequently any realisations in excess of those estimates would potentially increase the dividend to unsecured creditors in liquidation.
- 36 The reasons that net asset realisations may be expected to be lower in liquidation are that the partnership would cease to trade and additional statutory costs will be incurred.
- 37 I have advised the Partners of their obligation to make full disclosure in the Proposal of any connected party transactions in the 12-month period prior to my appointment as Nominee, and this information is set out in the Proposal.
- 38 The partnership has not previously been subject to any insolvency proceedings, and insofar as I am aware, none of the Partners have previously been an officer of any other partnership, or a partner in any partnership, limited or otherwise, which has suffered insolvency proceedings.
- 39 In addition, insofar as I am aware, none of the Partners has previously been adjudged bankrupt or made an application for an interim order in the last 12 months.
- 40 I consider that the Partners' Proposal complies in all material respects with the Insolvent Partnerships Order 1994, Insolvency Act 1986 and Insolvency Rules 2016, and that the proposal has a real prospect of being implemented in the way it is to be presented it will be.
- 41 I am not aware of any already-manifest yet unavoidable prospective unfairness.

- 42 For the reasons set out above, I conclude that this is a serious and viable proposal, in that it is feasible, it is fair to creditors, it is fair to the shareholders, it is an acceptable alternative to liquidation, and it is fit to be considered by creditors and shareholders
- 43 In my opinion, there is a reasonable prospect of the Proposal being approved by creditors and the members of the partnership, and being implemented by the Partners.
- 44 Meetings of creditors and members should therefore be summoned to consider the Proposal, pursuant to Section 3 of the Insolvency Act 1986.
- 45 I propose to convene the meetings for 11:00 and 11:15 on Tuesday, 5 June 2018. The creditor meeting to consider the proposal will be via virtual meeting in accordance with the Insolvency Rules 2016. The shareholders meeting to be held at Empire Way Business Park, Liverpool Road, Burnley BB12 6HH.

Dated 10 May 2018



.....

Jonathan Mark Taylor MIPA, MABRP
(authorised to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association)
Nominee

Rule 16.3

Insolvent Partnerships Order 1994

Proxy (Partnership Voluntary Arrangement)

AZTEC DOMESTICS

Name of Creditor/Member _____

Address _____

Name of Proxy Holder

1 _____

2 _____

3 _____

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors/members to be held on **5 June 2018**, or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

Voting Instructions for resolutions

1. For the acceptance/rejection* of the proposed voluntary arrangement (with the following modifications)

*Please delete as appropriate

Any other resolutions which the proxy-holder is to propose or vote in favour of or against should be set out in numbered paragraphs in the space provided below Paragraph 1. If more room is required please use the other side of this form

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor/member has not signed in person

Position with creditor/member or relationship to creditor/member or other authority for signature

Are you are the sole member/shareholder of the creditor? ☐ Yes / ☐ No

This proxy may be completed with the name of the person or the chair of the meeting who is to be the proxy-holder.

Remember: there may be resolutions on the other side of this form

Statement of rights under Section 325 Companies Act 2006

A member of a company is entitled to appoint another person as his proxy to exercise all or any of his rights to attend and to speak and vote at a meeting of the company.

A member may appoint more than one proxy in relation to a meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by him.

A proxy need not be a member of the Company.

Notes

A proxy form is enclosed for the use of creditors. Completion and return of a proxy form will not preclude a creditor entitled to attend from attending and voting at the Meeting. All voting shall be on a poll.

Creditors' references, where they are known, are shown on the pages attached to the statement of affairs, as appropriate. A copy of the statement of affairs is enclosed with this notice.

A claim form is enclosed (see above) which should be completed and returned to the Nominee at the address shown above. The form will be held pending the appointment of Supervisor(s).

DEBT CLAIM FORM

Aztec Domestics**PROPOSED PARTNERSHIP VOLUNTARY ARRANGEMENT****Date of Meeting of Creditors: 5 June 2018**

1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> • For UK companies: its registered number • For other companies: the country or territory in which it is incorporated and the number if any under which it is registered • The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	Total amount of claim, including any Value Added Tax, as at the relevant date, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [Note the office holder may call for any document or evidence to substantiate the claim at his discretion]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category Amount(s) claimed as preferential £
	AUTHENTICATION	
	Signature of Creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Date	
	If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor	
	Are you the sole member of the Creditor?	YES / NO

AZTEC DOMESTICS

PROPOSED PARTNERSHIP VOLUNTARY ARRANGEMENT "PVA"

PVA SUMMARY

Dividends to Unsecured Creditors

Dividend in PVA (estimated) 100 pence in the £

Dividend in Liquidation (estimated) 92.29 pence in the £

Meeting of Creditors

Date & Time of Meeting of Creditors 5 June 2018 @ 11:00

Meeting Venue Virtual Meeting (joining instructions in letter)

Proposal Summary

Partners' Proposal

The Partners will obtain a re-mortgage as soon as possible to fully repay creditors plus interest. The business will continue trading and make monthly payments into the PVA until the re-mortgage proceeds are received.

PVA Duration 12 months

Number of Jobs Saved 2 full-time employees (13 years & 5 years employment) + 2 partners (since September 1995)

Payment by Partnership into PVA Re-mortgage of minimum of £105,000 plus £2,000 per month for 12 months

Total Amount to Be Paid into PVA £129,000

Nominee's fee (fixed) £6,000

Supervisor's fees (estimate) £5,000 (over 1 year)

Unsecured Creditors

Preferential £0

Non-Preferential £103,659

Legal Proceedings

Winding up Petition Issued 6 April 2018

Outcome The Partnership will go into liquidation if the PVA proposal is not accepted.