

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company AAC Enterprises Ltd	Company number 04582219
In the High Court of Justice (full name of court)	Court case number 14141 of 2009

(a) Insert full
name(s) and
address(es) of
administrator(s)

I/We (a)
Kikis Kallis FCCA FABRP
Kallis & Co.
Mountview Court
1148 High Road
Whetstone
London, N20 0RA

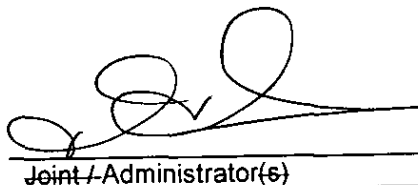
*Delete as
applicable

attach a copy of *my/our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) 21 July 2009

Signed



Joint Administrator(s)

Dated

21 July 2009

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form.

Kikis Kallis FCCA FABRP
Kallis & Co.
Mountview Court
1148 High Road
Whetstone
London, N20 0RA

The contact information that you give

will
be
published

DX Number

020 8446 6699
DX Exchange



PC1

PARR2BRL
22/07/2009
COMPANIES HOUSE

279

When you have completed and signed this form, please send it to the Registrar of Companies at:-
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

WEDNESDAY
C

Mountview Court T 020 8446 6699
1148 High Road F 020 8492 6099
Whetstone E info@kallis.co.uk
London N20 0RA W www.kallis.co.uk
Our Ref: KK/CKP/AAC2205/09/S1
Contact: Costa Pedhiou
Direct Line: 020 8492 6025
Email: costa@kallis.co.uk

TO ALL MEMBERS & CREDITORS

21 July 2009

Dear Sirs

AAC ENTERPRISES LTD (IN ADMINISTRATION)
IN THE HIGH COURT OF JUSTICE NO: 14141 of 2009

I refer to my appointment as Administrator in this matter on 30 January 2009. I would advise that a meeting of creditors pursuant to paragraph 51 of Schedule B1 to the Insolvency Act 1986 will be held at my offices on Thursday, 6 August 2009 at 10:30 am.

The purpose of this meeting is for the creditors to consider and if they think fit approve my proposals for achieving the objective of the administration. In this regard I enclose the following for your consideration:-

1. Notice of meeting of creditors – Form 2.20B.
2. Administrator's report to creditors including:
 - Administrator's proposals
 - Statement of Affairs
 - Summary of Receipts and Payments
 - Creditors' guide to Administrator's fees.
3. Proof of debt & Proxy form.

In order for you to be entitled to vote, you must by 12 noon on the business day before the meeting provide me in writing, details of your debt. Please note that there is no need to re-submit these documents if already done so. Proxy forms should be submitted by the time of the meeting.

Should you have any queries please do not hesitate to contact Costa Pedhiou of my office.

Yours faithfully
For and on behalf of the company



KIKIS KALLIS FCCA FABRP
ADMINISTRATOR
Encl.

The Administrator acts as agent of the company without personal liability

AAC Enterprises Ltd (In Administration)
Report to Creditors
21 July 2009

AAC Enterprises Ltd (In Administration)
Company number: 04582219

Administrators Report and Proposals to Creditors
pursuant to Paragraph 49 of Schedule B1
to the Insolvency Act 1986

Prepared by Kallis & Company
Mountview Court, 1148 High Road, Whetstone, London N20 0RA

AAC Enterprises Ltd (In Administration)
Report to Creditors
21 July 2009

Name of administrator:	Kikis Kallis
Date of appointment:	28 May 2009
Date of report:	21 July 2009
Date of creditors' meeting:	6 August 2009 at 10:30am
Appointed by:	The Director of the Company
Court reference:	High Court of Justice no. 14141 of 2009
Company number:	04582219

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AAC Enterprises Limited (In Administration)
Report to Creditors
21 July 2009

1. INTRODUCTION

- 1.1 Kikis Kallis of Kallis & Company Insolvency Practitioners was appointed Administrator of AAC Enterprises Limited ("the company") on 28 May 2009 by the company pursuant to paragraph 22 of Schedule B1 to the Insolvency Act 1986 ("the Act").
- 1.2 This report sets out the circumstances leading up to the appointment of the Administrator and the steps taken by him to date.
- 1.3 You should complete the Proxy and Proof of Debt forms at Appendix 7 and return them to our offices.

2. BACKGROUND

- 2.1 The company was incorporated on 5 November 2002. Statutory information on the company is included within Appendix 1.
- 2.2 The company traded as a property developer, residential lettings manager and provider of serviced offices.
- 2.3 The company was founded in order to capitalise on its vision of capital growth in the residential property market, alongside the prospect of strong expected returns in the London rental market.
- 2.4 The director has a long established track record in both the private medical and NHS sectors, having established and operated successfully a number of business initiatives supplying Healthcare services to the private sector and the NHS for over twenty years.
- 2.5 Since incorporation the company has successfully completed a number of development projects, increasing its turnover by continually reinvesting profits into growing the business in order to acquire further properties for development.
- 2.6 In November 2007 the company, along with a joint contractor, exchanged on a new site in North London. Completion was due to occur in September 2008 and project delivery in spring 2010.
- 2.7 In September 2008, the agreement was varied in order that an increased deposit would be provided to the seller of the property and the completion date extended until October 2008.
- 2.8 In October 2008 the company failed to complete the sale due to the joint contractor leaving the project and the economic crisis in the UK causing bank financing to be withdrawn. The seller issued proceedings against both parties seeking damages for non-performance.
- 2.9 The company reached an agreement with the seller in full and final settlement of all the claims against it, however claims by the seller against the joint contractor continued and are ongoing.

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Company's trading history

2.10 Relevant extracts from the company's financial statements are summarised below.

<u>Profit & Loss Account</u>	Year Ended 30/11/2007 £	Year Ended 30/11/2006 £
Turnover	3,038,646	374,251
Gross Profit	13,888	103,644
Operating profit/(loss)	1,435,297	74,463
Net profit/(loss)	1,341,395	(4,245)
<u>Balance Sheet</u>		
Fixed Assets	50,269	827,884
Current Assets	2,438,750	1,874,924
Creditors	(2,276,531)	(2,737,715)
Net Assets	212,488	(34,907)

3. EVENTS LEADING UP TO THE ADMINISTRATION

- 3.1 The joint contractor has stated that any claim brought against them would be jointly and severally due from both the company and the partner. A claim was submitted against the company on 26 March 2009, the value of which is stated to be in excess of £2,000,000. At the time of preparing this report the amount claimed has not been substantiated. The company has expended considerable sums defending this potential claim.
- 3.2 The director of the company disputes any such claim from the joint contractor and has submitted a counter-claim in the company's defence. The counter-claim is in respect of outstanding invoices due to the company from the joint contractor.
- 3.3 In early May 2009, the management of the company undertook a review of the company's viability to continue trading. The review indicated that the company was not capable of continuing to defend the claim and in light of the impending claim, the company was both cash flow and balance sheet insolvent. At this point the director sought independent advice.
- 3.4 On 12 May 2009 the company instructed Kikis Kallis of Kallis & Company to review the company's affairs. The director subsequently took steps to protect the company's position by seeking to appoint an Administrator to deal with the company's affairs.

4. PURPOSE OF ADMINISTRATION

- 4.1 The purpose of an Administration is to achieve one of the following hierarchical objectives:
 - Rescuing the company as a going concern, or

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- Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or
 - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 4.2 In accordance with paragraph 49(2) of Schedule B1 to the Act the Administrator is performing his duties with the purpose of achieving either the second or third objectives as it is believed that the first objective cannot be achieved for reasons set out in this report.
- 4.3 The proposals for achieving the purpose are set out in the remainder of this report.

5. PROGRESS OF THE ADMINISTRATION TO DATE

- 5.1 The manner in which the affairs and business of the Company have been managed since the appointment of the Administrator and will continue to be managed and financed are set out below.
- 5.2 The Administration strategy is twofold:
- Trading the business to continue collection of rental income from residential premises that the company either owns or is managing and from serviced and virtual offices that the company owns.
 - To realise the company's assets in an orderly fashion.

Continuation of trade

- 5.3 A review of the company's projected cash flow indicated that rental income would generate sufficient income to support ongoing trade while in Administration therefore no additional sources of funding were considered.
- 5.4 Details of trading receipts and payments are included under Appendix 2.
- 5.5 The nature of the business is such that the company is able to operate without any employees. Utility supplies and telephone services to the properties have been maintained as the company was previously supplying these services as part of the respective rental agreements.

Sale of assets

- 5.6 The company's assets at the date of the Administrator's appointment consisted of the leaseholds of an office suite and 4 residential apartments collectively valued at £1,590,000.
- 5.7 The properties have been independently valued by both the bank's agents and a local property expert and range in value from £290,000 to £480,000.

AAC Enterprises Limited (In Administration)
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- 5.8 The properties are subject to separate legal charges held by Bank of Cyprus UK. The properties also have a second legal charge registered against them in favour of the director, Dr A Christodoulou. These charges have been registered with the permission of Bank of Cyprus UK.
- 5.9 Prior to the Administrator's appointment, contracts had been exchanged for three of the five properties but the sales not completed. It is expected that the sales be completed imminently.
- 5.10 YVA Solicitors who were acting for the company in respect of the sale of the three apartments prior to the Administrator's appointment have been retained in this respect and will also be instructed to deal with the sale of the remaining properties. There are no agents involved in the transactions, as the company marketed the properties. The sales have been verified and are at market value.

Further investigations

- 5.11 As part of the Administrator's statutory duties, the administrator has to report on the conduct of the directors under the Company Directors Disqualification Act 1986. As such an investigation is currently being carried out into the management of the company paying particular attention to any possible breaches of duties that may have occurred. Should you have any information concerning matters to which reference should be made in that report, then I should be grateful if you would write to me formally setting out any facts which you believe should be considered for inclusion.

6. END OF THE ADMINISTRATION

- 6.1 The options available to the Administrator for the exit from the Administration are as follows:
1. Compulsory Winding Up
 2. Creditors' Voluntary Liquidation
 3. Company Voluntary Arrangement
 4. Return of control to the Director
 5. Deregistration of Company (i.e. striking off the Companies House register)
- 6.2 At present, it is not possible to determine with certainty whether point 2 or 5 from paragraph 6.1 will be the most appropriate exit route. It is therefore proposed that the Administrator use his discretion as soon as he is satisfied that he has fully discharged his duties and the purpose of the Administration has been achieved as to which route to follow.
- 6.3 It is anticipated that the Administration will be resolved within the 12 months that the Administration Order is in force. As the company's assets consist of commercial and residential properties, the sale of which may prove longer than usual due to the current state of the UK property market, and in order to expedite matters in the event that delays are experienced in making realisations, it is proposed that the period of the administration be extended with the consent of the creditors for a period of six months, to 28 November

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21 July 2009

2010 to save having to revert to creditors once more at a later stage in order to minimise costs.

7. STATEMENT OF AFFAIRS

- 7.1 In accordance with Paragraph 47 of Schedule B1 to the Act the Administrator has requested that the director provide him with a statement of the affairs ("SOA") of the company.
- 7.2 The director's estimated SOA as at 28 May 2009 is shown at Appendix 3.
- 7.3 The agreement of creditors' claims as stated in the SOA are, as is required by legislation, those which are reflected in books and records of the Company and it is our view that some balances may not wholly be correct due to late receipt of invoices. In addition, certain claims may be subject to reduction in respect of mitigation, set-off or retention of title.
- 7.4 The agreement of creditors' claims by the Administrators (or any subsequently appointed Supervisor or Liquidator) is a separate matter and may be dealt with as appropriate in due course, initially by reference to the Proofs of Debt lodged in the proceedings by creditors themselves.

8. ADMINISTRATOR'S REMUNERATION

- 8.1 In accordance with Rule 2.106 of the Insolvency Rules 1986 (as amended) ("the Rules"), it is proposed that the basis upon which the Administrators' remuneration should be fixed, is by reference to the time properly given by him and his staff in attending to matters arising in the Administration.
- 8.2 The Administrator's time costs for the period from 28 May 2009 up to and including 21 July 2009 total 60.63 hours amounting to a cost of £9,628.14 (plus VAT) at an average hourly rate of £158.80. An analysis of time costs is provided at Appendix 4.
- 8.3 A Creditor's guide to Administrators' fees is enclosed at Appendix 6.

9. DIVIDEND PROSPECTS

- 9.1 Dividend prospects will be affected by the total level of realisations and the costs incurred in the Administration. Please note that this is an estimate only and given in accordance with the information available at the time of writing.

Secured Creditors

- 9.2 All company properties are subject to separate legal charges over them registered to the company's bankers.
- 9.3 The director of the company, Dr A Christodoulou, has registered a second charge over the properties with the consent of the bank.

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9.4 It is anticipated that realisations will be sufficient to enable a distribution to fully settle the first chargeholder's liabilities. There may be sufficient realisations to enable a distribution to the second chargeholder.

9.5 As there are no floating charge holders, S176A of the Act will not apply in this instance.

Preferential Creditors

9.6 There are no preferential creditors.

Unsecured Creditors

9.7 Based on current information, there are unsecured non-preferential creditors of £791,729.93. It is anticipated that there will not be sufficient realisations to enable a distribution to unsecured, non-preferential creditors.

9.8 It is possible that an application may be made to the Court to enable a distribution to unsecured creditors to be paid in the Administration. Such an application will depend upon the exit route from Administration and creditors will be advised accordingly in due course.

10. EC REGULATION

10.1 It is considered that the EC Regulations will apply and that these proceedings will be the "main proceedings" as defined in Article 3 of the EC Regulations. The centre of main interest of the company is in England.

11. CREDITORS' MEETING

11.1 In accordance with Paragraph 51 of Schedule B1 to the Act, a creditors meeting will be held at Mountview Court, 1148 High Road, Whetstone, London, N20 0RA at 10:30 am on 6 August 2009. A notice of the meeting of creditors is enclosed at Appendix 6. A proof of debt form and a proxy form are enclosed in Appendix 7, for the purpose of that meeting.

11.2 In order to reduce delays at the meeting it would be appreciated if all completed Proof of Debt and Proxy forms are returned to the Administrator's office by no later than 12:00 noon on 5 August 2009.

11.3 The purpose of this meeting is to consider the approval of the Administrator's proposals.

12. ADMINISTRATOR'S PROPOSALS

12.1 The Administrator proposes the following:

12.1.1 The Administrator takes any action that he considers necessary with a view to continuing to manage the affairs of the company and realising the company assets.

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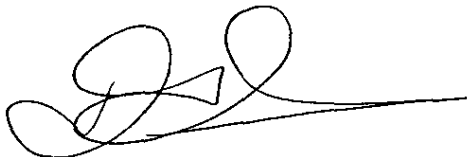
- 12.1.2 The Administrator do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Act, as he, in his sole and absolute discretion considers desirable or expedient to achieving the purpose of the Administration.
- 12.1.3 That the creditors consider establishing a creditors committee and that if any such committee is formed they be authorised to sanction any proposed act on the part of the Administrator without the need to report back to a further meeting of creditors, to include deciding upon the most appropriate exit route from the Administration.
- 12.1.4 In the absence of a creditor committee being formed, the remuneration of the Administrator be fixed by reference to time properly given by him and his staff in attending to matters arising from the Administration, in accordance with the Statement of Insolvency Practice No.9 issued by the Association of Business Recovery Professionals.
- 12.1.5 The approval of the Administrator's remuneration by reference to time properly given in attending to matters in the Administration pursuant to Rule 2.106 of the Rules. The Administrator's costs will be categorised as a liability under paragraph 99(3) of Schedule B1 of the Act. The Administrator's time costs as at 21 July 2009 amount to £9,628.14 (plus VAT). A fee of £5,000 plus VAT was paid to Kallis & Company prior to the Administration Order for work carried out with regard to the business review and appointment of the Administrator. Legal costs of £490 have been incurred in dealing with the application to appoint an administrator and will be paid from asset realisations.
- 12.1.6 That the Administrator be authorised to draw his firm's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), if any.
- 12.1.7 It is hoped that matters relating to the Administration in this regard will be resolved within the 12 months that the Administration Order is in force. Paragraph 76 of Schedule B1 to the Insolvency Act 1986 provides that the appointment of an Administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. The Administrator's term of office may, however, be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding six months. In the event that an extension may be required and for expedience it is proposed that creditors consent to a six month extension for the administration period to be extended until 28 November 2010 to allow for any eventuality.
- 12.1.8 Once the assets of the company have been fully realised, a distribution made to the secured creditors, if a surplus does not exist with which to make a distribution to unsecured creditors and the Administrator is satisfied that he has fully discharged his duties and the purpose of the Administration has been fully achieved, he shall file the relevant notice with the Registrar of Companies to move the company from Administration to dissolution, pursuant to the provisions of Paragraph 84 of Schedule B1 to the Act.

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- 12.1.9 In the event that realisations are sufficient to enable a distribution to unsecured creditors, the Administrator shall take the necessary steps to place the company into Creditors' Voluntary Liquidation in accordance with Paragraph 83 of Schedule B1 of the Act. It is proposed that Kikis Kallis be appointed Liquidator for that purpose.
- 12.1.10 In accordance with paragraph 83(7) of Schedule B1 to the Act and Rule 2.117(2) of the Rules, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before their approval. In the absence of such nomination, the Administrator will be appointed Liquidator.
- 12.1.11 Furthermore, prior to the Creditors' Voluntary Liquidation of the company the Administrator will be paid in full for all outstanding remuneration and disbursements. Should there be a balance outstanding of any fees due these will be paid in priority from the funds held by the Liquidator.
- 12.1.12 In the event however, that the Administrator considers it more expedient to pay a dividend to unsecured non-preferential creditors during the Administration and matters pertaining to such can be dealt with through the Administration, the Administrator shall have the absolute discretion to make an application to the Court under the provisions of Paragraph 65(3) of Schedule B1 to the Act for sanction to make a distribution to this class of creditor.
- 12.1.13 Once the distribution is made and the Administrator is satisfied that he has fully discharged his duties and the purpose of the Administration has been fully achieved, he shall file the relevant notice with the Registrar of Companies to move the company from Administration to dissolution, pursuant to the provisions of Paragraph 84 of Schedule B1 to the Act.

Under these provisions, on the registration of a notice sent by the Administrator to the Registrar of Companies, his appointment as Administrator will cease to have effect, and at the end of three months the company will automatically be dissolved.

Where an Administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the company.



KIKIS KALLIS FCCA FABRP
ADMINISTRATOR

AAC Enterprises Limited (In Administration)
Report to Creditors
21 July 2009

APPENDIX 1

STATUTORY INFORMATION

Registered Number	04582219
Date of Incorporation	5 November 2002
Registered Office <i>(Previously: 1146 High Road Whetstone, London, N20 0RA)</i>	Mountview Court 1148 High Road Whetstone, London N20 0RA
Trading Address	212 Regents Park Road Dunsfold Park Dunsford, Cranleigh Surrey GU6 8TB
Authorised Share Capital	100,000 Ordinary shares of £1 each
Issued Share Capital	1 Ordinary share of £1
Shareholders	1 – Dr Aristophanes Christodoulou
Company Director	Dr Aristophanes Christodoulou
Company Secretary	Ms Nataliya Babynets
Company Banker	Bank of Cyprus UK

Mortgages & Charges

Description: LEGAL CHARGE
Charge is Outstanding
Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED TRADING AS BANK OF CYPRUS UK

Created: 10/06/2005 Registered: 29/06/2005 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE CHARGEES UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE
Short Particulars: LAND K/A 212, 214 AND 216 REGENTS PARK ROAD, LONDON

Description: LEGAL CHARGE
Charge is Outstanding
Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY

Acquisition Date:
Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE CHARGEES ON ANY ACCOUNT WHATSOEVER
Short Particulars: FLAT 4 OLYMPIAN COURT 214 REGENTS PARK LONDON

Description: LEGAL CHARGE

Charge is Outstanding

Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED

Acquisition Date:

Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO
THE CHARGEES ON ANY ACCOUNT WHATSOEVER

Short Particulars: FLAT 3 OLYMPIAN COURT 214 REGENTS PARK ROAD LONDON

Description: LEGAL CHARGE

Charge is Outstanding

Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED

Acquisition Date:

Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO
THE CHARGEES ON ANY ACCOUNT WHATSOEVER

Short Particulars: OFFICE PREMISES OF OLYMPIAN COURT 212 REGENTS PARK ROAD
LONDON

Description: LEGAL CHARGE

Charge is Outstanding

Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED

Acquisition Date:

Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO
THE CHARGEES ON ANY ACCOUNT WHATSOEVER

Short Particulars: FLAT 10 OLYMPIAN COURT 214 REGENTS PARK ROAD LONDON

Description: LEGAL CHARGE

Charge is Outstanding

Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED

Acquisition Date:

Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO
THE CHARGEES ON ANY ACCOUNT WHATSOEVER

Short Particulars: FLAT 8 OLYMPIAN COURT 214 REGENTS PARK ROAD LONDON

Description: LEGAL CHARGE

Charge is Outstanding

Person(s) Entitled: ARISTOPHANES CHRISTODOULOU

Acquisition Date:

Created: 28/10/2008 Registered: 31/10/2008 Form Type: 395

Amount Secured: £1,100,000.00 DUE OR TO BECOME DUE FROM THE COMPANY TO
THE CHARGE

Short Particulars: PROPERTY K/A 212 REGENTS PARK ROAD LONDON AND FLATS 3, 4,
8 AND 10 OLYMPIAN COURT 214 REGENTS PARK ROAD LONDON T/NOS. AGL189381,
AGL189382 AGL189383 AGL189509 AND AGL189385

NB: There are various other charges registered against the company which have been satisfied.

AAC Enterprises Limited (In Administration)
Report to Creditors
21 July 2009

APPENDIX 2

AAC Enterprises Ltd
(In Administration)
Administrator's Trading Account
To 21/07/2009

S of A £		£	£
TRADING EXPENDITURE			
Rents		23,115.88	
Loan repayment		(4,904.79)	
Telephone		(56.70)	
Insurance		(50.50)	
Repairs & Maintenance		(477.00)	
			17,626.89
TRADING SURPLUS/(DEFICIT)			17,626.89

AAC Enterprises Ltd
(In Administration)
Administrator's Abstract of Receipts & Payments
To 21/07/2009

S of A £		£	£
	HIRE PURCHASE		
1,590,000.00	Leasehold properties	NIL	
(1,086,387.50)	Bank of Cyprus UK	NIL	
(1,277,486.73)	Director	NIL	NIL
	ASSET REALISATIONS		
Uncertain	Rental income	NIL	
NIL	Furniture & equipment	NIL	
	VAT Refund	10,323.96	
	Council Tax Refund	389.13	
	Trading Surplus/(Deficit)	17,626.89	28,339.98
	COST OF REALISATIONS		
	Specific Bond	180.00	
	Statutory Advertising	62.50	(242.50)
	UNSECURED CREDITORS		
(11,005.70)	Trade & Expense Creditors	NIL	
(6,850.00)	Connected Parties	NIL	
Uncertain	Joint contractors	NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
			<u>28,097.48</u>
<u>(791,730.93)</u>			
	REPRESENTED BY		
			80.93
	VAT Receivable		28,016.55
	Bank 1 Current		<u>28,097.48</u>

AAC Enterprises Limited (In Administration)
Report to Creditors
21 July 2009

APPENDIX 3

STATEMENT OF AFFAIRS

Name of Company AAC Enterprises Ltd	Company Number 04582219
In the High Court of Justice	Court case number 14141 / 2009

Statement as to the affairs of

AAC Enterprises Ltd
Mountview Court
1148 High Road, Whetstone
London N20 0RA

on the 28 May 2009, the date that the company entered administration.

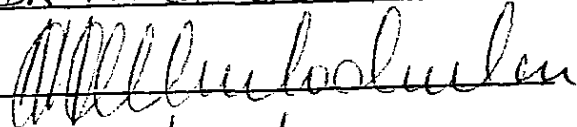
Statement of Truth

I believe the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at 28 May 2009 the date that the company entered administration.

Full Name

DR A. CHRISTODOULOU

Signed



Dated

18/07/2009

AAC Enterprises Ltd
Statement Of Affairs as at 28 May 2009

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Leasehold properties	1,590,000.00	1,590,000.00
Bank of Cyprus UK		(1,086,387.50)
Director		(1,277,486.73)
Deficiency c/d		<u>(773,874.23)</u>

Assets subject to floating charge:

Uncharged assets:
Furniture & equipment 5,688.00 NIL

Estimated total assets available for preferential creditors

NIL

Signature: 

Date

18/07/2009

Mortgages & Debentures

Description: LEGAL CHARGE

Charge is Outstanding

Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED TRADING AS BANK OF CYPRUS UK

Acquisition Date:

Created: 10/06/2005 Registered: 29/06/2005 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE CHARGEES UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE

Short Particulars: LAND K/A 212, 214 AND 216 REGENTS PARK ROAD, LONDON

Description: LEGAL CHARGE

Charge is Outstanding

Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED

Acquisition Date:

Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE CHARGEES ON ANY ACCOUNT WHATSOEVER

Short Particulars: FLAT 7 OLYMPIAN COURT 214 REGENTS PARK ROAD LONDON

Description: LEGAL CHARGE

Charge is Outstanding

Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY

Acquisition Date:

Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE CHARGEES ON ANY ACCOUNT WHATSOEVER

Short Particulars: FLAT 4 OLYMPIAN COURT 214 REGENTS PARK LONDON

Description: LEGAL CHARGE
Charge is Outstanding
Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED

Acquisition Date:
Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE
CHARGEES ON ANY ACCOUNT WHATSOEVER
Short Particulars: FLAT 3 OLYMPIAN COURT 214 REGENTS PARK ROAD LONDON

Description: LEGAL CHARGE
Charge is Outstanding
Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED

Acquisition Date:
Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE
CHARGEES ON ANY ACCOUNT WHATSOEVER
Short Particulars: OFFICE PREMISES OF OLYMPIAN COURT 212 REGENTS PARK ROAD LONDON

Description: LEGAL CHARGE
Charge is Outstanding
Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED

Acquisition Date:
Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE
CHARGEES ON ANY ACCOUNT WHATSOEVER
Short Particulars: FLAT 10 OLYMPIAN COURT 214 REGENTS PARK ROAD LONDON

Description: LEGAL CHARGE
Charge is Outstanding
Person(s) Entitled: BANK OF CYPRUS PUBLIC COMPANY LIMITED

Acquisition Date:
Created: 25/04/2008 Registered: 03/05/2008 Form Type: 395

Amount Secured: ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO THE
CHARGEES ON ANY ACCOUNT WHATSOEVER
Short Particulars: FLAT 8 OLYMPIAN COURT 214 REGENTS PARK ROAD LONDON

Description: LEGAL CHARGE
Charge is Outstanding
Person(s) Entitled: ARISTOPHANES CHRISTODOULOU

Acquisition Date:
Created: 28/10/2008 Registered: 31/10/2008 Form Type: 395

Amount Secured: £1,100,000.00 DUE OR TO BECOME DUE FROM THE COMPANY TO THE
CHARGEES
Short Particulars: PROPERTY K/A 212 REGENTS PARK ROAD LONDON AND FLATS 3, 4, 8 AND 10
OLYMPIAN COURT 214 REGENTS PARK ROAD LONDON T/NOS. AGL189381, AGL189382
AGL189383 AGL189509 AND AGL189385

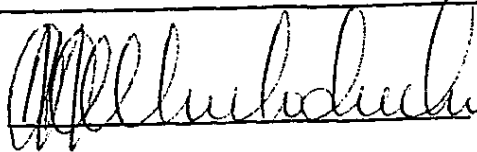
NB: There are various other charges registered against the company which have been satisfied.

AAC Enterprises Ltd
Statement Of Affairs as at 28 May 2009

A1 - Summary of Liabilities

	Estimated to Realise £
Estimated total assets available for preferential creditors (Carried from Page A)	NIL
Liabilities	
Preferential Creditors:-	
Estimated deficiency/surplus as regards preferential creditors	NIL
Estimated prescribed part of net property where applicable (to carry forward)	NIL
Estimated total assets available for floating charge holders	NIL
Debts secured by floating charges	NIL
Estimated deficiency/surplus of assets after floating charges	NIL
Estimated prescribed part of net property where applicable (brought down)	NIL
Total assets available to unsecured creditors	NIL
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	
Deficiency b/d	773,874.23
Trade & Expense Creditors	11,005.70
Connected Parties	6,850.00
	<u>791,729.93</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	(791,729.93)
Shortfall to floating charge holders (brought down)	NIL
Estimated deficiency/surplus as regards creditors	<u>(791,729.93)</u>
Issued and called up capital	
Ordinary Shareholders	1.00
Estimated total deficiency/surplus as regards members	<u><u>(791,730.93)</u></u>

Signature



Date

18/07/2009

AAC Enterprises Ltd B - Company Creditors

Key	Name	Address	£
CA00	Avenue & Co	AAC House, 212 Regents Park Road, London, N3 3HP	950.00
CA01	Mr Costas Alexiou	c/o Nicholas & Co., 18-22 Wigmore Street, London W1U 2RG	0.00
CB00	Bank of Cyprus UK	PO Box 17484, 87 Chase Side, London N14 6WH	1,088,387.50
CB01	BT plc	Dept W, Durham TE Providence Row, Durham, DH1 1RR	751.38
CG00	Gamma Diagnostics (UK) Ltd	c/o Cymans, 1146 High Road, London, N20 0RA	6,850.00
CI00	Iacovou Bros (UK) Ltd	c/o Cymans, 1146 High Road, London, N20 0RA	7,308.33
CM00	MBNA Europe Bank Limited	P.O. Box 1004, Chester Business Park, Wrexham Road, Chester CH4 9WW	947.82
CN00	Npower Ltd	Bridge House, 200 Clough Road, Hull HU5 1SN	507.82
CO00	Orange	Senhouse Road, Darlington, Co Durham DL1 4YQ	0.00
CT00	Three Valleys Water Plc	PO Box 48, Hatfield, Herts AL10 9HL	540.35
RC00	Dr Aristophanes Christodoulou	5 Green Meadow, Little Heath, Hertfordshire EN8 1LL	1,277,486.73
11 Entries Totalling			2,381,729.83

Signature



Version 2.00

AAC Enterprises Ltd	
C. Shareholders	

HC00 Dr Aristophanes Christodoulou

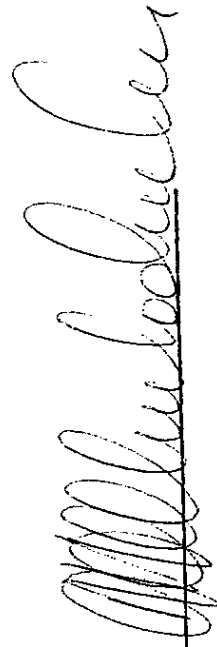
6 Green Meadow, Little Heath, Hertfordshire EN6 1LL

1

1 Entries Totalling

1

Signature



AAC Enterprises Limited (In Administration)
Report to Creditors
21 July 2009

APPENDIX 4

Administrators' Time Cost Analysis

As at 21 July 2009

Classification of Administration	Partner Hours	Senior Hours	Support Hours	Total Hours	Total Cost £
Statutory Matters	4.25	12.50	-	16.75	2,806.25
Banking	0.88	0.50	0.63	2.00	350.01
Assets	1.00	13.25	-	14.25	1,956.25
General matters	3.13	14.25	-	17.38	2,665.63
Creditors	3.25	7.00	-	10.25	1,850.00
Total Hours	12.50	47.50	0.63	60.63	
Total Fees (£)	3,643.76	5,937.50	46.88		9,628.14

AAC Enterprises Limited (In Administration)
Report to Creditors
21 July 2009

APPENDIX 5

KALLIS & COMPANY

CHARGE OUT RATES & DISBURSEMENTS

Please be advised that in the event that an office holder is authorised to charge fees on a time cost basis the following rates will apply:-

CHARGE OUT RATES

Partners	£275 - £300
Managers	£170 - £275
Senior Administrators	£ 90 - £175
Support Staff	£ 60 - £ 85

DISBURSEMENTS

There are two Categories of disbursements as classified by best practice guidance as follows:

Category 1 – Approval not required for these expenses which relates to expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external supplier's invoice or published tariff of charges;

Category 2 – Approval for these expenses which include all other expenditure which:

- Cannot or cannot easily be directly related to a particular insolvency case because there is an element of shared or allocated cost; and/or
- Where the cost of the expenses incurred is an estimated, unitised cost with the estimate based on external costs or opportunity cost.

In respect of Category 2 expenses the basis that they are re-charged is as follows:

Photocopying	10p per sheet
Faxes	25p each
Telephone	50p each
Mileage	40p per mile
Postage	as 1 st class Royal Mail Cost
Stationery: Paper file	£1 each
Lever arch	£2.50 each
Box	£3.50 each
Room Hire	£50 per hour
Storage Case files	£15 annually per box
Case records	£15 annually per box
Destruction costs	£5.50 per box

AAC Enterprises Limited (In Administration)
Report to Creditors
21 July 2009

APPENDIX 6

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES

Where Petition Presented or Appointment Made On or After 15 September 2003

ENGLAND AND WALES

1 Introduction

1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

2 The nature of administration

2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration, or, if the administrator thinks neither of these objectives is reasonably practicable
- realising property in order to make a distribution to secured or preferential creditors.

3 The creditors' committee

3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's fees

4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed either:

- as a percentage of the value of the property which the administrator has to deal with, or
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration.

It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed, and if it is fixed as a percentage fix the percentage to be applied. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the administrator;
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties;
- the value and nature of the property which the administrator has to deal with.

4.2 If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as the committee would. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets. In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of –

- each secured creditor of the company; or
- if the administrator has made or intends to make a distribution to preferential creditors –
 - each secured creditor of the company; and
 - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval, having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

5 What information should be provided by the administrator?

5.1 When seeking fee approval

5.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought; and
- the size and complexity of the case.

5.1.2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

5.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above.

To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

5.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

5.2 After fee approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 5.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 5.1.4 above regarding work which has been sub-contracted out.

5.3 Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

6 What if a creditor is dissatisfied?

6.1 If a creditor believes that the administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not as an expense of the administration.

7 What if the administrator is dissatisfied?

7.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

8 Other matters relating to fees

8.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.

8.2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

9. Provision of information – additional requirements

In any case where the administrator is appointed on or after 1 April 2005 he must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is –

- the total number of hours spent on the case by the administrator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office. The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office.

AAC Enterprises Limited (In Administration)
Report to Creditors
21 July 2009

APPENDIX 7

Rule 2.35

Notice of a meeting of Creditors

Name of Company

AAC Enterprises Ltd

Company number

04582219

In the
High Court of Justice

(full name of court)

Court case number

14141 of 2009

(a) Insert full name(s)
and address(es) of
administrator(s)

Notice is hereby given by (a)
Kikis Kallis FCCA FABRP
Kallis & Co.
Mountview Court
1148 High Road
Whetstone
London, N20 0RA

(b) Insert full name and
address of registered
office of the company

that a meeting of creditors of (b)

AAC Enterprises Ltd
Mountview Court
1148 High Road, Whetstone
London N20 0RA

(c) Insert details of place
of meeting

is to be held at (c)

(c) Mountview Court, 1148 High Road, Whetstone, London, N20 0RA

(d) Insert date and time
of meeting

on (d) 6th August 2009

at 10:30am

The meeting is:

*Delete as applicable

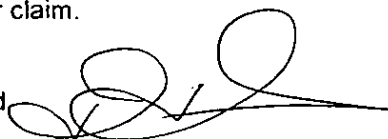
*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')
~~*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~
~~*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~
~~*(4) a further creditors' meeting under paragraph 56 of the Schedule~~
~~*(5) a creditors' meeting under paragraph 62 of the Schedule.~~

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed



Joint Administrator(s)

Dated

21/7/07

*Delete as applicable

A copy of the *proposals/~~revised proposals~~ is attached

EXTRACT FROM THE INSOLVENCY (AMENDMENT) RULES 2003

Rule 2.38 - Entitlement to vote

(1) Subject as follows, at a meeting of creditors in administration proceedings a person is entitled to vote only if -

(a) he has given to the administrator, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of the debt which -

(i) he claims to be due to him from the company; or

(ii) in relation to a member State liquidator, is claimed to be due to creditors in proceedings in relation to which he holds office;

(b) the claim has been duly admitted under the following provisions of this Rule; and

(c) there has been lodged with the administrator any proxy which he intends to be used on his behalf, and details of the debt must include any calculation for the purposes of Rules 2.40 to 2.42.

(2) The chairman of the meeting may allow a creditor to vote, notwithstanding that he has failed to comply with paragraph (1)(a), if satisfied that the failure was due to circumstances beyond the creditor's control.

(3) The chairman of the meeting may call for any document or other evidence to be produced to him, where he thinks it necessary for the purpose of substantiating the whole or any part of the claim.

(4) Votes are calculated according to the amount of a creditor's claim as at the date on which the company entered administration, less any payments that have been made to him after that date in respect of his claim and any adjustment by way of set-off in accordance with Rule 2.85 as if that Rule were applied on the date that the votes are counted.

(5) A creditor shall not vote in respect of a debt for an unliquidated amount, or any debt whose value is not ascertained, except where the chairman agrees to put upon the debt an estimated minimum value for the purpose of entitlement to vote and admits the claim for that purpose.

(6) No vote shall be cast by virtue of a claim more than once on any resolution put to the meeting.

(7) Where -

(a) a creditor is entitled to vote under this Rule;

(b) has lodged his claim in one or more sets of other proceedings; and

(c) votes (either in person or by proxy) on a resolution put to the meeting; and

(d) the member State liquidator casts a vote in respect of the same claim,

only the creditor's vote shall be counted.

(8) Where –

(a) a creditor has lodged his claim in more than one set of other proceedings; and

(b) more than one member State liquidator seeks to vote by virtue of that claim, the entitlement to vote by virtue of that claim is exercisable by the member State liquidator in main proceedings, whether or not the creditor has lodged his claim in the main proceedings.

(9) For the purposes of paragraph (6), the claim of a creditor and of any member State liquidator in relation to the same debt are a single claim.

(10) For the purposes of paragraphs (7) and (8), "other proceedings" means main proceedings, secondary proceedings or territorial proceedings in another member State.

Rule 2.39 - Admission and rejection of claims

(1) At any creditors' meeting the chairman has power to admit or reject a creditor's claim for the purpose of his entitlement to vote; and the power is exercisable with respect to the whole or any part of the claim.

(2) The chairman's decision under this Rule, or in respect of any matter arising under Rule 2.38, is subject to appeal to the court by any creditor.

(3) If the chairman is in doubt whether a claim should be admitted or rejected, he shall mark it as objected to and allow the creditor to vote, subject to his vote being subsequently declared invalid if the objection to the claim is sustained.

(4) If on an appeal the chairman's decision is reversed or varied, or a creditor's vote is declared invalid, the court may order that another meeting be summoned, or make such other order as it thinks fit.

(5) In the case of the meeting summoned under paragraph 51 to consider the administrator's proposals, an application to the court by way of appeal under this Rule against a decision of the chairman shall not be made later than 14 days after the delivery of the administrator's report in accordance with paragraph 53(2).

(6) Neither the administrator nor any person nominated by him to be chairman is personally liable for costs incurred by any person in respect of an appeal to the court under this Rule, unless the court makes an order to that effect.

2.43 – Resolutions

(1) Subject to paragraph (2), at a creditors' meeting in administration proceedings, a resolution is passed when a majority (in value) of those present and voting, in person or by proxy, have voted in favour of it.

(2) Any resolution is invalid if those voting against it include more than half in value of the creditors to whom notice of the meeting was sent and who are not, to the best of the chairman's belief, persons connected with the company.

AAC Enterprises Limited (In Administration)
Report to Creditors
21 July 2009

APPENDIX 8

PROOF OF DEBT - GENERAL FORM

In the matter of AAC Enterprises Limited
In Administration
and in the matter of The Insolvency Act 1986

Date of Administration Order 28/05/2009

1.	Name of Creditor	
2.	Address of Creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4.	Details of any document by reference to which the debt can be substantiated. [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5.	If the total amount shown above includes Value Added Tax, please show:- (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6.	If total amount above includes outstanding uncapitalised interest please state amount	£
7.	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8.	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 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9.	Particulars of how and when debt incurred.	
10.	Particulars of any security held, the value of the security, and the date it was given	£
11.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

PROOF OF DEBT - GENERAL FORM (CONTD...)

Admitted to Vote for

£

Date

Liquidator

Admitted preferentially for

£

Date

Liquidator

Admitted non-preferentially for

£

Date

Liquidator

NOTE:

A company goes into liquidation if it passes a resolution for voluntary winding up or an order for its winding up is made by the court at a time when it has not already gone into liquidation by passing such a resolution.

Proxy (Administration)

AAC Enterprises Ltd (In Administration)
In the High Court Number 14141 of 2009

Name of Creditor _____

Address _____

Name of Proxy Holder

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

1 _____

2 _____

3 _____

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 to be held on 6 August 2009, 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

*Please delete as appropriate

1. For the acceptance/rejection* of the administrator's proposals/revised proposals* as circulated

2. For the appointment of

of _____

representing _____

as a member of the creditors' committee

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

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

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

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