

2.24B

The Insolvency Act 1986

Administrator's progress report

| |
|---------------------|
| 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)

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

administrator(s) of the above company attach a progress report for the period

(b) Insert date

| |
|-----------------|
| From |
| (b) 28 May 2009 |

To

| |
|----------------------|
| |
| (b) 27 November 2009 |

Signed


Joint Administrator(s)

Dated

15 December 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.

The contact information that you give will be visible to searchers of the

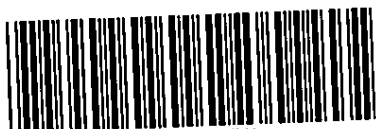
Kikis Kallis FCCA FABRP
Kallis & Co.
Mountview Court
1148 High Road
Whetstone
London, N20 0RA

DX Number

020 8446 6699
DX Exchange

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

THURSDAY



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17/12/2009

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COMPANIES HOUSE

AAC ENTERPRISES LTD (IN ADMINISTRATION)

**High Court of Justice, Chancery Division, Thomas Moore Buildings, The Strand,
London WC2H 2LL**

High Court Number 14141 of 2009

**Progress report to Creditors in accordance with Rule 2.47 of the Insolvency
Rules 1986, as amended**

Standard Information:

| | |
|--|---|
| Administrator: | Kikis Kallis of Kallis & Company, Mounview Court 1148, High Road, Whetstone, London N20 0RA, appointed by the Directors of the company on 28 May 2009. |
| Registered Number: | 04582219 |
| Date of Incorporation: | 5 November 2002 |
| Registered Office: <i>(Previously: 1146 High Road London N20 0RA)</i> | Mountview Court 1148 High Road Whetstone, London N20 0RA |
| Trading Address: | 212 Regents Park Road London N3 3HP |
| 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 |

Progress Report:

- You will recall that I, Kikis Kallis, was appointed Administrator in this matter on 28 May 2009 for the purpose of achieving a better result in respect of the sale of the company assets than would have been achieved if the company had been wound up without being placed into administration.
- As stated in my proposals to creditors issued on 21 July 2009, the company continued to trade in order to collect rental income from residential premises that the company either owns or is managing and from serviced and virtual offices that the company owns.

Details of trading receipts and payments are included in the attached receipts and payments account from 28 May 2009 to 27 November 2009.

The management agreement in place between the company and the freeholders of the properties has now been rescinded and as a result the company is no longer receiving rents for properties which it was previously managing. This matter is currently being reviewed.

- The company owns the leaseholds of an office suite and 4 residential apartments which I had advised were collectively valued at £1,590,000. A subsequent valuation revealed that the properties had a collective value of £1,445,000.

As previously advised the sale contracts for three properties (residential apartments) had been exchanged prior to my appointment. The sale contracts for the properties in question have now been revised in light of my appointment as Administrator and I have duly signed these in readiness of imminent completions. The sales have been verified and are at market value.

It is anticipated that once all properties are sold, sufficient realisations will have been made to enable the first charge holder, Bank of Cyprus UK, to be repaid in full and a distribution made to the second charge holder, Dr A Christodoulou.

As there are no floating charge holders, S176A of the Insolvency Act 1986 will not apply in this instance. It is anticipated that there will not be sufficient realisations to enable a distribution to unsecured, non-preferential creditors.

- During the period the following refunds have been received:

| | | |
|------------|----------------------------|-----------|
| 09/06/2009 | VAT refund | 10,323.96 |
| 21/08/2009 | BT | 53.96 |
| 07/09/2009 | London Tokyo | 29.99 |
| 11/09/2009 | Orange | 6.37 |
| 28/10/2009 | LB Barnet - business rates | 958.33 |

- You will be aware that an extension to the Administration period of 6 months until 28 November 2010 was granted with the consent of the company's creditors following the meeting of creditors held on 6 August 2009.
- For your information I attach a copy of my receipts and payments account from 28 May 2009 to 27 November 2009.
- Once I have made all the realisations and finalised matters in the administration I shall file the appropriate notices with the Registrar of Companies and to the court, at which time my appointment as administrator will cease to have effect. The Administrator will decide at this stage whether the company should be dissolved or enter Creditors Voluntary Liquidation. A final report to creditors will be issued in due course detailing the exit route chosen.
- At the meeting of creditors held on 6 August 2009, I received creditor approval that my remuneration be drawn by reference to time properly given in attending to matters in the Administration.

In this regard I would advise that for the period since my appointment on 28 May 2009 to 27 November 2009 the time spent by my staff and I on this matter totals 149.01 hours amounting to a cost of £24,244.21. To date I have drawn £10,000 on account of this outstanding work in progress.

Set out below is a breakdown of my time since my appointment on 28 May 2009 to 27 November 2009.

| Analysis of Administrator's time costs for the period 28 May 2009 to 27 November 2009 | | | | | |
|--|----------------------|---------------------|----------------------|--------------------|---------------------|
| Classification of Administration | Partner Hours | Senior Hours | Support Hours | Total Hours | Total Cost £ |
| Statutory Matters | 12.38 | 19.00 | 1.88 | 33.25 | 6,187.57 |
| Banking | 1.25 | 1.75 | 9.26 | 12.26 | 1,256.64 |
| Assets | 4.50 | 34.50 | - | 39.00 | 5,643.75 |
| General matters | 8.88 | 38.75 | - | 47.63 | 7,359.38 |
| Creditors | 9.75 | 6.75 | 0.38 | 16.88 | 3,796.87 |
| Total Hours | 36.75 | 100.75 | 11.51 | 149.01 | |
| Total Fees (£) | 10,787.52 | 12,593.75 | 862.94 | | 24,244.21 |
| Average hourly rate (£) | 293.54 | 125.00 | 75.00 | | 162.71 |

Detailed explanatory notes about how the administrator's remuneration is fixed may be obtained on request by writing to me or telephoning my office. In addition the information can be viewed online at www.r3.org.uk under Statements of Insolvency Practice Number 9. I would however inform you that I and my staff are currently charged out at the following rates:-

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

Signed.....
Kikis Kallis FCCA FABRP
Administrator

Dated 15 December 2009

**AAC Enterprises Ltd
(In Administration)
Administrator's Trading Account**

| Statement of Affairs | From 28/05/2009 To 27/11/2009 | From 28/05/2009 To 27/11/2009 |
|---------------------------|----------------------------------|----------------------------------|
| POST APPOINTMENT SALES | | |
| Rents | 20,982.64 | 20,982.64 |
| MIL (UK) Ltd Contribution | 8,200.00 | 8,200.00 |
| | <u>29,182.64</u> | <u>29,182.64</u> |
| TRADING EXPENDITURE | | |
| MIL (UK) Ltd Contribution | NIL | NIL |
| Rents | NIL | NIL |
| Loan repayment | (24,535.25) | (24,535.25) |
| Heat , Light & Water | (1,201.14) | (1,201.14) |
| Telephone | (729.27) | (729.27) |
| Insurance | (50.50) | (50.50) |
| Repairs & Maintenance | (477.00) | (477.00) |
| | <u>(26,993.16)</u> | <u>(26,993.16)</u> |
| TRADING SURPLUS/(DEFICIT) | <u>2,189.48</u> | <u>2,189.48</u> |


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AAC Enterprises Ltd
(In Administration)
Administrator's Abstract of Receipts & Payments

| Statement of Affairs | | From 28/05/2009 To 27/11/2009 | From 28/05/2009 To 27/11/2009 |
|----------------------|--|-------------------------------------|-------------------------------------|
| 1,590,000.00 | SECURED ASSETS Leasehold Property | <u>NIL</u> NIL | <u>NIL</u> NIL |
| (1,086,387.50) | SECURED CREDITORS Bank of Cyprus UK | <u>NIL</u> | <u>NIL</u> |
| (1,277,486.73) | Director | <u>NIL</u> | <u>NIL</u> |
| | HIRE PURCHASE | <u>NIL</u> NIL NIL | <u>NIL</u> NIL NIL |
| Uncertain NIL | ASSET REALISATIONS Rental income | <u>NIL</u> | <u>NIL</u> |
| | Furniture & equipment | <u>NIL</u> | <u>NIL</u> |
| | Rates refund | <u>958.33</u> | <u>958.33</u> |
| | Services Refund | <u>90.32</u> | <u>90.32</u> |
| | VAT Refund | <u>11,089.37</u> | <u>11,089.37</u> |
| | Council Tax Refund | <u>389.13</u> | <u>389.13</u> |
| | MIL (UK) Ltd Contribution | <u>NIL</u> | <u>NIL</u> |
| | Trading Surplus/(Deficit) | <u>2,189.48</u> <u>14,716.63</u> | <u>2,189.48</u> <u>14,716.63</u> |
| | COST OF REALISATIONS Specific Bond | <u>180.00</u> | <u>180.00</u> |
| | Office Holders Fees | <u>10,000.00</u> | <u>10,000.00</u> |
| | Agents/Valuers Fees (1) | <u>500.00</u> | <u>500.00</u> |
| | Legal Fees (1) | <u>1,009.00</u> | <u>1,009.00</u> |
| | Statutory Advertising | <u>62.50</u> | <u>62.50</u> |
| | Bank Charges | <u>18.06</u> <u>(11,769.56)</u> | <u>18.06</u> <u>(11,769.56)</u> |
| (11,005.70) | UNSECURED CREDITORS Trade & Expense Creditors | <u>NIL</u> | <u>NIL</u> |
| (6,850.00) | Connected Parties | <u>NIL</u> | <u>NIL</u> |
| Uncertain | Joint contractors | <u>NIL</u> | <u>NIL</u> |
| (1.00) | DISTRIBUTIONS Ordinary Shareholders | <u>NIL</u> NIL | <u>NIL</u> NIL |
| <u>(791,730.93)</u> | | <u>2,947.07</u> | <u>2,947.07</u> |
| | REPRESENTED BY VAT Receivable | | 283.39 |

Bank 1 Current
VAT Payable
Vat Control Account

213.84
(47.85)
2,497.69
2,947.07



Kikis Kallis FCCA FABRP
Administrator