

**2.24B**

The Insolvency Act 1986

**Administrator's progress report**

Name of Company

Aaron Services Plumbing & Heating  
Limited

Company number

04752713

In the  
High Court of Justice

(full name of court)

Court case number

10192 of 2010

(a) Insert full  
name(s) and  
address(es) of  
administrator(s)I/We (a)  
Peter Hollis  
FRP Advisory LLP  
49 London Road  
St Albans  
Hertfordshire  
AL1 1LJMichael William Young  
FRP Advisory LLP  
49 London Road  
St Albans  
Hertfordshire  
AL1 1LJ

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

From

(b) Insert date

(b) 21 December 2010

To

(b) 20 June 2011

Signed

Joint / Administrator(s)

Dated

07 / 07 / 2011

**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 public record

Peter Hollis  
FRP Advisory LLP  
49 London Road  
St Albans  
Hertfordshire  
AL1 1LJ

DX Number

01727 811111  
DX Exchange

MONDAY



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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**



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Tel +44(0)1727 811 111  
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**TO ALL CREDITORS**

your ref:

our ref: AO081/J

date: 7 July 2011

Please ask for: Vicki Goodyear

Dear Sirs

**AARON SERVICES PLUMBING & HEATING LIMITED (IN ADMINISTRATION) ("THE COMPANY")  
IN THE HIGH COURT OF JUSTICE NO. 10192 OF 2010**

Further to my appointment as Joint Administrator of the above Company on 21 December 2010, I report on the progress of the Administration under Rule 2.47 of the Insolvency Rules 1986. Statutory information regarding the Company and the appointment of the Administrators is given at Appendix A.

**1. THE ADMINISTRATORS' PROPOSALS**

The following proposals were approved at the meeting of creditors held on 1 March 2011 with no modifications being requested.-

- a) That they will continue to realise the assets of the Company.
- b) If they think the Company has no property which might permit a distribution to its unsecured creditors, they will send notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 and three months after the filing of the notice the Company will be deemed to be dissolved having given due consideration to point (a) above.
- c) The Company may be placed into creditor's voluntary liquidation to enable a distribution to be made to creditors if appropriate. Pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986, should the creditors not nominate a Liquidator; the proposed Liquidators are to be Peter Hollis and Michael William Young. Any act to be done by the Joint Liquidators may be done by all or any one of them. Pursuant to Paragraph 83(7)(a) and Rule 2.117A(2)(b) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved.
- d) The Joint Administrators' fees plus VAT should be approved on a time cost basis in accordance with their charge out rates as detailed in Appendix F, together with those disbursements known as category 2 disbursements, to be drawn when the Joint Administrators see fit.

**2. PROGRESS OF THE ADMINISTRATION**

I attach at Appendix B an abstract of my receipts and payments for the period from date of appointment to current 6 month anniversary

AO081

## **ASSETS**

### **Book Debts**

#### **Factored**

The Company's sale ledger had been assigned to Close Invoice Finance Limited ("Close") under a Factoring Agreement. At the date of appointment debtor balances of £114,337.52 were outstanding against a Close debt of £28,368.

I have received a surplus of £22,398.18 from Close with the remaining book debt ledger being re-assigned back to the Company.

Further debtor receipts totalling £21,273.56 has been received into the Administration following the re-assignment of the ledger, leaving a balance outstanding to the Company of £45,109.46. I have instructed solicitors to issue proceedings against the outstanding debtors for the balances outstanding to the Company

#### **Non-factored**

As at the date of my appointment the Company's sales ledger amounted to £41,739.95, included in this figure is a debt outstanding from Connaught Partnership Limited for £33,429.41, who have entered into Administration, and £1,800.12 from Z1A1 Limited (formerly NuYuu Fitness Limited) who have entered into Liquidation

I am currently awaiting an update from the relevant Administrators and Liquidators as to the likely return to creditors in these matters.

A cheque for £3,693.70 was received from HSBC Bank Plc in respect of debtor payments received directly into the Company's bank account following my appointment as Administrator.

### **Business Rates Refund**

A cheque for £530.57 has been received from East Herts Council in respect of a business rates refund due for the period up to the date of Administration.

### **Tax Refund**

The Company's former accountants have advised that there is no prospect of a terminal loss relief claim due to the Company.

## **ASSETS STILL TO BE REALISED**

### **Motor Vehicles**

An independent firm of valuation agents, Hawbery King, was instructed to assist with the valuation and sale of the Company's motor vehicles.

The Company had four vehicles which were subject to Finance with Network Vehicles Limited, and the agents advised that these vehicles did not have any equity available to the Administration.

The remaining six vehicles owned by the Company have been collected by our agents and are in the process of being realised for the benefit of the Administration.

## **LIABILITIES**

### **Secured Creditor – HSBC Bank Plc**

As reported in the Administrators' Proposals, HSBC Bank Plc hold a debenture comprising of a fixed and floating charge over the assets of the Company in respect of their liability which stood at £20,610.13.

The liability due to HSBC Bank was discharged on 26 April 2011.

### **Preferential Creditors**

I have received preferential claims totalling £776.67 in these proceedings (see below for the outcome for preferential creditors in this matter).

### **Unsecured Creditors**

I have received claims totalling £103,537.74 from unsecured creditors who have proved their debts in these proceedings (see below for the outcome for unsecured creditors in this matter)

## **INVESTIGATIONS**

As Administrator I have a duty under the Company Directors Disqualification Act 1986 to make a confidential return to the Department of Business, Innovation & Skills, Disqualification Unit on the conduct of all those persons who were directors of the Company at the date of my appointment as Administrator or had been a director at any time in the preceding three years.

I can confirm that I have complied with my duty in this regard

## **PAYMENTS**

I attach, as Appendix C, a summary of additional costs that have been incurred during the course of this Administration which have not yet been settled.

### **3. ESTIMATED OUTCOME**

#### **Preferential/Unsecured Creditors**

The claims of the preferential creditors will be paid in full within the Administration period.

A distribution will be available to unsecured creditors from the funds set aside under the prescribed part.

It is not yet possible to estimate the final dividend to unsecured creditors as creditors' claims are to be agreed by the duly appointed Liquidator, and it is not yet possible to estimate the costs if the Liquidation.

### **4. ADMINISTRATORS' PRE-APPOINTMENT COSTS**

As disclosed in the Administrators' Proposals dated 10 February 2011, the pre-administration costs charged or incurred by the Joint Administrators in relation to placing the Company into Administration totalled £2,465.25. Approval for the drawing of these costs was received from the unsecured creditors on 1 March 2011.

During the period covered by this report no funds were drawn in respect of my pre-appointment costs.

## **5. ADMINISTRATORS' REMUNERATION AND EXPENSES**

Turning to my own costs in this matter, my remuneration as Administrator is based on computerised records of all time spent on the administration of this case. I attach as Appendix D a breakdown of my time costs incurred to date in accordance with Statement of Insolvency Practice 9, of these costs £39,679.85 was incurred in respect of the period covered by this progress report

At the creditors meeting held on 1 March 2011 creditors passed a resolution that my remuneration should be calculated on a time cost basis. I have drawn fees of to date of £12,400 exclusive of VAT.

From the date the resolution to draw my fees on a time cost basis was approved, there have been no material changes in the hourly rates charged.

The Administrators' disbursements for stationery, printing and postage have been drawn in accordance with SIP9.

Creditors have a right to request further information from the Administrator under Rule 2.48A of the Insolvency Rules 1986 and further have a right to challenge the Administrators' remuneration and expenses under Rule 2.109 of the Insolvency Rules 1986. Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <http://cp.frapadvisory.com> and select the one for Administrations. Alternatively a hard copy of the relevant guide will be sent to you on request. Please note there are time limits for requesting information of 21 days of receipt of the progress report and 8 weeks from receiving this report for a Court application that the remuneration or expenses are excessive

Form 2 24B, formal notice of the progress report, is also attached.

If you have any queries about this report or the progress of the Administration, please do not hesitate to contact Vicki Goodyear at this office

Dated this 7 day of July 2011



**Peter Hollis**  
**Joint Administrator**

Licensed in the UK by the Association of Chartered Certified Accountants

**The Joint Administrators act as agents of the Company and without personal liability.**

**The affairs, business and property of the Company are being managed by Peter Hollis and Michael William Young who were appointed Joint Administrators on 21 December 2010.**

**STATUTORY INFORMATION**

**AARON SERVICES PLUMBING & HEATING LIMITED IN ADMINISTRATION**

Court in which administration proceedings were brought.	High Court of Justice
Court reference number:	10192 of 2010
Other trading names:	N/A
Company number:	04752713
Registered office.	49 London Road, St Albans, Hertfordshire, AL1 1LJ
Previous registered office:	Invision House, Wilbury Way, Hitchin Hertfordshire, SG4 0TY
Business address:	Astonbury Business Park, Aston Stevenage, Hertfordshire, SG2 7EG
Administrators' names and addresses.	Peter Hollis and Michael William Young of FRP Advisory LLP, 49 London Road, St Albans, Hertfordshire, AL1 1LJ
Date of appointment:	21 December 2010
Extensions to the initial period of appointment:	None
Appointor:	Maria Cracknell - Director
Previous office holders, if any:	N/A

The Joint Administrators act jointly and concurrently.

**Aaron Services Plumbing & Heating Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs		From 21/12/2010 To 20/06/2011	From 21/12/2010 To 20/06/2011
	<b>SECURED ASSETS</b>		
124,530.16	Book Debts - Factored	42,241.03	42,241.03
(30,000.00)	Close Invoice Finance Limited	NIL	NIL
		<u>42,241.03</u>	<u>42,241.03</u>
	<b>ASSET REALISATIONS</b>		
NIL	Furniture & Equipment	NIL	NIL
Uncertain	Motor Vehicles	NIL	NIL
5,831.20	Book Debts - Unfactored	3,693.70	3,693.70
	Business Rates Refund	530.57	530.57
	Bank Interest Gross	0.59	0.59
		<u>4,224.86</u>	<u>4,224.86</u>
	<b>COST OF REALISATIONS</b>		
	Administrators' Remuneration	12,400.00	12,400.00
	Legal Fees (1)	2,224.00	2,224.00
	Accountancy Fees	260.00	260.00
	Statutory Advertising	75.60	75.60
	Insurance of Assets	113.30	113.30
	Room Hire	20.00	20.00
		<u>(15,092.90)</u>	<u>(15,092.90)</u>
	<b>PREFERENTIAL CREDITORS</b>		
(776.66)	Redundancy Payments Office	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>FLOATING CHARGE CREDITORS</b>		
(21,673.58)	HSBC Bank Plc	20,610.13	20,610.13
		<u>(20,610.13)</u>	<u>(20,610.13)</u>
	<b>UNSECURED CREDITORS</b>		
(81,474.38)	Trade & Expense Creditors	NIL	NIL
(4,570.00)	Redundancy Payments Office	NIL	NIL
(42,554.45)	Inland Revenue	NIL	NIL
(5,515.02)	H M Customs & Excise	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<b>(56,302.73)</b>		<b><u>10,762.86</u></b>	<b><u>10,762.86</u></b>
	<b>REPRESENTED BY</b>		
	Vat Receivable - Fixed		3,577.92
	Bank 1 Current A/c		3,584.94
	Suspense Account		3,600.00
			<u><b>10,762.86</b></u>

Note:

**AARON SERVICES PLUMBING & HEATING LIMITED**  
**STATEMENT OF EXPENSES FOR THE 6 MONTH PERIOD ENDED 20 JUNE 2011**

Expenses	Total paid to date of progress report period per R and P £	Costs committed not yet paid at reporting date £	Total Expenses for the 6 months ended 20 June 2011 £
Pre Appointment Costs	0	2,465	2,465
Administrators' remuneration	12,400	27,280	39,680
Administrators' disbursements	0	514	514
Agents/valuers fees	0	1,861	1,861
Legal fees	2,224	2,030	4,254
Accountancy Fees	260	0	260
Statutory Advertising	76	0	76
Insurance of Assets	113	0	113
Room Hire	20	0	20
	15,093	34,149	49,242



## Aaron Services Plumbing &amp; Heating Limited - In Administration

## Time Costs Analysis as at 20 June 2011

Classification of work	Partner	Manager	Administrator	Support Staff	Total Hours	Time Cost £	Average Rate £/h
Pre-Appointment Time	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Administration & Correspondence	0.00	0.10	27.95	31.93	59.98	6,761.60	112.73
Asset Realisation	0.00	0.00	2.75	0.00	2.75	552.50	200.91
Chattel Assets	8.00	0.00	7.80	0.00	15.80	4,448.00	281.52
Debt Collection	29.50	0.25	13.10	0.00	42.85	13,962.25	325.84
Case Accounting	0.00	0.00	0.25	9.25	9.50	965.00	101.58
Bill	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Case Review	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Employee Issues	1.50	0.00	3.75	0.00	5.25	1,200.00	228.57
Investigatory Work	0.00	0.00	4.00	0.00	4.00	640.00	160.00
Legal/Litigation	8.00	0.00	0.00	0.00	8.00	3,200.00	400.00
Meetings	0.00	0.00	2.00	0.00	2.00	320.00	160.00
Partner Review	5.75	0.00	0.50	0.00	6.25	2,380.00	380.80
Preferential Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Productive Time	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Freehold/Leasehold Property	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Secured Creditors	1.00	0.00	1.00	0.00	2.00	560.00	280.00
Statutory Compliance	2.50	0.00	2.60	0.00	5.10	1,416.00	277.65
Statutory Reporting	0.00	0.00	6.50	0.50	7.00	1,087.50	155.36
Stock	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Tax & VAT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Travel	0.00	0.00	0.00	1.30	1.30	91.00	70.00
Unsecured Creditors	0.00	0.00	13.10	0.00	13.10	2,096.00	160.00
<b>Total Hours</b>	<b>56.25</b>	<b>0.35</b>	<b>85.30</b>	<b>42.98</b>	<b>184.88</b>		

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**39,679.85**


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