

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

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(b) Insert name and
address of the
registered office of
companyhaving been appointed administrator(s) of (b) Aaron Services Plumbing & Heating Limited, 49
London Road, St Albans, Hertfordshire, AL1 1LJ(c) Insert date of
appointment

on (c) 21 December, 2010

(d) Insert name of
applicant/
appointerby (d) High Court of Justice
hereby give notice that(e) Insert name(s)
and address(es) of
liquidator(s)the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is
proposed that (e) Peter Hollis and Michael William Young of FRP Advisory LLP, 49 London Road,
St Albans, Hertfordshire, AL1 1LJ
will be the liquidator(s) of the company (IP No(s) 008910 and 008077)

Signed

Dated

Joint / Administrator(s)

21/10/2011

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

AVTQDYNM

A27

24/10/2011

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COMPANIES HOUSE

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



FRP Advisory LLP
49 London Road
St Albans
Hertfordshire AL1 1LJ
Tel +44(0)1727 811 111
Fax +44(0)1727 810 057
www.frpadvisory.com

TO ALL CREDITORS AND MEMBERS

your ref:

our ref: AAR0001VBR/AO084

date: 21 October 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**

1. INTRODUCTION

- 1.1 Pursuant to Rule 2.110 of the Insolvency Rules 1986, I provide below my final report on the progress of the above Administration, which should be read in conjunction with the proposals circulated to creditors on 10 February 2011 and my progress report forwarded to creditors on 7 July 2011.
- 1.2 The Company is now being placed into Creditors' Voluntary Liquidation in order to make a distribution to the unsecured creditors in this matter

2. THE ADMINISTRATORS' PROPOSALS

- 2.1 The appointment of the Joint Administrators took place on 21 December 2010. The appointment was made by Maria Cracknell, a director of the Company. This was subsequent to the filing of a Notice of Intention to Appoint an Administrator, which was filed in the High Court of Justice on 17 December 2010 under paragraph 22 of Schedule B1 of the Insolvency Act 1986 ("IA86") and subsequently served on HSBC Bank Plc ("HSBC") and Close Invoice Finance Limited ("Close"), who hold debentures over the Company's assets.
- 2.2 The appointment of the Joint Administrators included a declaration that, during the period of the Administration, they may act jointly or concurrently as the Administrators of the Company.
- 2.3 The following proposals were approved at the creditors meeting held on 1 March 2011, with no modifications:-
- a) That the Joint Administrators will continue to realise the assets of the Company.
 - b) If the Joint Administrators think that the Company has no property which might permit a distribution to unsecured creditors, they will send a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 of the Insolvency Act 1986 and three months after the filing of the notice the Company will be deemed to be dissolved having 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

AO084

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 rate as detailed in Appendix F, together with those disbursements known as category 2 disbursements, to be drawn as the Administrators see fit.

- 2.4 Also at the meeting of creditors the Joint Administrators' unpaid pre-administration costs, as set out in Appendix B, were approved and that the Joint Administrators are authorised to draw such sums from the fund in hand as an expense of the Administration

3. STATUTORY INFORMATION

- 3.1 Company number: 04752713
- 3.2 Registered office: 49 London Road, St Albans, Hertfordshire, AL1 1LJ

4. PROGRESS OF THE ADMINISTRATION

- 4.1 I attach the final abstract of my receipts and payments for the period from 21 December 2010 to 20 June 2011 and 21 June 2011 to 21 October 2011, which I trust is self-explanatory and would comment as follows:-

ASSETS

Book Debts

Factored

- 4.2 The Company's sale ledger had been assigned to Close Invoice Finance Limited ("Close") under a Factoring Agreement. At the date of my appointment debtor balances of £114,337.52 were outstanding against a Close liability of £28,368.
- 4.3 I have received a surplus of £22,398.18 from Close with the remaining book debt ledger being re-assigned back to the Company.
- 4.4 Further debtor receipts totalling £48,230.82 have been received into the Administration, with the assistance of my solicitors, following the re-assignment of the ledger. I have instructed solicitors to assist with the collection of the remaining debts outstanding to the Company.

Non-factored

- 4.5 As at the date of my appointment the Company's non-factored debtor 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.
- 4.6 I am currently awaiting an update from the relevant Administrators and Liquidators as to the likely return to creditors in these matters.
- 4.7 A cheque for £3,693.70 was received from HSBC in respect of debtor payments received directly into the Company's bank account following my appointment as Administrator.

Motor Vehicles

- 4.8 An independent firm of valuation agents, Hawbery King, were instructed to assist with the valuation and sale of the Company's motor vehicles
- 4.9 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
- 4.10 The remaining six vehicles owned by the Company were collected by our agents and the sum of £5,775 00 was received into the Administration following their sale.

Business Rates Refund

- 4.11 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 the Administration.

Tax Refund

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

LIABILITIES

Secured Creditor – HSBC Bank Plc

- 4.13 As reported in the Administrators' proposals, HSBC held a debenture comprising of a fixed and floating charge over the assets of the Company in respect of the liability outstanding to them
- 4.14 The liability due to HSBC has been discharged.

Preferential Creditors

- 4.15 I have received preferential claims totalling £776.67 in these proceedings.
- 4.16 A first and final dividend of 100p in the £ was declared to preferential creditors on 8 July 2011.

Unsecured Creditors

- 4.17 I have received claims totalling £107,303.61 from unsecured creditors who have proved their debts in these proceedings (see below for the outcome for unsecured creditors).

INVESTIGATIONS

- 4.18 As Joint 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.
- 4.19 I can confirm that I have complied with my duty in this regard.

5. OUTCOME FOR CREDITORS

- 5.1 We are now taking steps to move from Administration to Creditors' Voluntary Liquidation to enable us to make a distribution to unsecured creditors. 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 of the Liquidation.

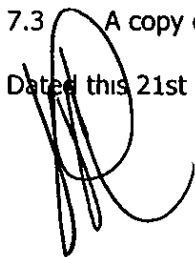
6. ADMINISTRATORS' REMUNERATION

- 6.1 My remuneration as Joint Administrator is based on computerised records of all time spent on the administration of this case. I attach a breakdown of my time costs incurred to date, and those costs incurred since the date of my last progress report, in accordance with Statement of Insolvency Practice Number 9 ("SIP9").
- 6.2 You may recall that at the meeting of creditors held on 1 March 2011 I was authorised to draw fees on a time cost basis, and you will note from the attached abstract of receipts and payments that I have drawn fees of £33,000 plus VAT.
- 6.3 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.
- 6.4 The Administrators' disbursements for stationery, printing and postage have been drawn in accordance with SIP9.
- 6.5 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 the receipt of the progress report and 8 weeks from receiving this report for a Court application that the remuneration or expenses are excessive.

7. CONCLUSION

- 7.1 In line with Paragraph 3 c) of the Joint Administrators formal proposals, agreed on 1 March 2011, my partner Michael William Young and I are the nominated Joint Liquidators of the Company.
- 7.2 We will now proceed to convert the Administration to Creditors' Voluntary Liquidation with immediate effect by filing the attached Form 2.34B with the Registrar of Companies. This will enable us the legal power to agree the claims of the unsecured creditors and distribute the assets accordingly.
- 7.3 A copy of this report is today being filed in the High Court of Justice and the Registrar of Companies.

Dated this 21st day of October 2011



Peter Hollis
Joint Administrator

Licensed in the United Kingdom 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.

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

Statement of Affairs		From 21/06/2011 To 21/10/2011	From 21/12/2010 To 21/10/2011
	SECURED ASSETS		
124,530.16	Book Debts - Factored	28,387.97	70,629.00
(30,000.00)	Close Invoice Finance Limited	NIL	NIL
		<u>28,387.97</u>	<u>70,629.00</u>
	ASSET REALISATIONS		
NIL	Furniture & Equipment	NIL	NIL
Uncertain	Motor Vehicles	5,775.00	5,775.00
5,831.20	Book Debts - Unfactored	NIL	3,693.70
	Business Rates Refund	NIL	530.57
	Bank Interest Gross	6.25	6.84
		<u>5,781.25</u>	<u>10,006.11</u>
	COST OF REALISATIONS		
	Administrators' Remuneration	20,000.00	33,000.00
	Agents/Valuers Fees (1)	1,883.60	1,883.60
	Legal Fees (1)	3,262.00	5,486.00
	Accountancy Fees	NIL	260.00
	Storage Costs	242.12	242.12
	Statutory Advertising	NIL	75.60
	Insurance of Assets	NIL	113.30
	Room Hire	NIL	20.00
		<u>(25,387.72)</u>	<u>(41,080.62)</u>
	PREFERENTIAL CREDITORS		
(776.66)	Redundancy Payments Office	776.67	776.67
		<u>(776.67)</u>	<u>(776.67)</u>
	FLOATING CHARGE CREDITORS		
(21,673.58)	HSBC Bank Plc	NIL	20,610.13
		<u>NIL</u>	<u>(20,610.13)</u>
	UNSECURED CREDITORS		
(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>
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(56,302.73)		<u>8,004.83</u>	<u>18,167.69</u>
	REPRESENTED BY		
	Vat Receivable - Fixed		4,219.54
	Bank,1 Current A/c		15,103.15
	Vat Payable - Floating		(1,155.00)
			<u>18,167.69</u>

Aaron Services Plumbing & Heating Limited - In Administration

Time Costs Analysis for the period of the Administration (21 December 2010 to 21 October 2011)

Classification of work	Partner	Manager	Administrator	Support Staff	Total Hours	Time Cost £	Average Rate £/h
Administration & Correspondence							
Asset Realisation	0.00	0.10	36.20	32.28	68.58	8,118.60	118.38
Chattel Assets	0.00	0.00	2.95	0.00	2.95	584.50	198.14
Debt Collection	8.00	0.00	8.00	0.00	16.00	4,480.00	280.00
Case Accounting	33.00	0.25	17.50	0.00	50.75	16,066.25	316.58
Employee Issues	0.00	0.00	0.25	18.25	18.50	1,865.00	100.81
Investigatory Work	1.50	0.00	4.20	0.00	5.70	1,272.00	223.16
Legal/Litigation	0.00	0.00	4.00	0.00	4.00	640.00	160.00
Meetings	19.00	0.00	0.20	0.00	19.20	7,632.00	397.50
Partner Review	0.00	0.00	2.00	0.00	2.00	320.00	160.00
Preferential Creditors	6.25	0.00	4.00	0.00	10.25	3,140.00	306.34
Secured Creditors	0.00	0.00	0.20	0.00	0.20	32.00	160.00
Statutory Compliance	1.00	0.00	1.00	0.00	2.00	560.00	280.00
Statutory Reporting	2.50	0.00	2.60	0.00	5.10	1,416.00	277.65
Tax & VAT	0.00	1.00	19.90	0.50	21.40	3,496.50	163.39
Travel	0.00	0.00	0.20	0.00	0.20	32.00	160.00
Unsecured Creditors	0.00	0.00	0.00	1.30	1.30	91.00	70.00
		0.00	19.50	0.00	19.50	3,120.00	160.00
Total Hours	71.25	1.35	122.70	52.33	247.63		

52,865.85

Aaron Services Plumbing & Heating Limited - In Administration

Time Costs Analysis for the period of the final report (21 June 2011 to 21 October 2011)

Classification of work

	Partner	Manager	Administrator	Support Staff	Total Hours	Time Cost £	Average Rate £/h
Administration & Correspondence							
Asset Realisation	0 00	0 00	8 25	0 35	8 60	1,357 00	157 79
Chattel Assets	0 00	0 00	0 20	0 00	0 20	32 00	160 00
Debt Collection	0 00	0 00	0 20	0 00	0 20	32 00	160 00
Case Accounting	3 50	0 00	4 40	0 00	7 90	2,104 00	266 33
Employee Issues	0 00	0 00	0 00	9 00	9 00	900 00	100 00
Legal/Litigation	0 00	0 00	0 45	0 00	0 45	72 00	160 00
Partner Review	11 00	0 00	0 20	0 00	11 20	4,432 00	395 71
Preferential Creditors	0 50	0 00	3 50	0 00	4 00	760 00	190 00
Statutory Reporting	0 00	0 00	0 20	0 00	0 20	32 00	160 00
Tax & VAT	0 00	1 00	13 40	0 00	14 40	2,409 00	167 29
Unsecured Creditors	0 00	0 00	0 20	0 00	0 20	32 00	160 00
	0 00	0 00	6 40	0 00	6 40	1,024 00	160 00
Total Hours	15 00	1 00	37 40	9 35	62 75		

13,186.00

AARON SERVICES PLUMBING & HEATING LIMITED
STATEMENT OF EXPENSES FOR THE PERIOD ENDED XXX OCTOBER 2011

Expenses	Total paid to date of progress Report per R and P £	Costs committed but not yet paid at reporting date £	Total Expenses incurred since appointment £	Expenses for the 4 month period ended 21 October 2011 £
Pre-Appointment Costs	0	2,465	2,465	0
Administrators' Remuneration	33,000	19,866	52,866	13,186
Administrators' Disbursements	0	533	533	19
Agents/Valuers fees	1,884	0	1,884	23
Legal fees	5,486	0	5,486	1,232
Accountancy Fees	260	0	260	0
Storage Costs	242	0	242	242
Statutory Advertising	76	0	76	0
Insurance of Assets	113	0	113	0
Room Hire	20	0	20	0
	41,081	22,863	63,944	14,701