

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 7 0 1 4 4 5 5

Company name in full AA Lighting Contractors Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court of Justice

Court case number 0 0 2 9 5 3 2 0 2 0

3 Administrator's name

Full forename(s) Lloyd Edward

Surname Hinton

4 Administrator's address

Building name/number Allan House

Street 10 John Princes Street

Post town London

County/Region

Postcode W 1 G 0 A H

Country

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Notice of move from administration to creditors' voluntary liquidation

5	Administrator's name ①	
Full forename(s)	Mark	① Other administrator Use this section to tell us about another administrator.
Surname	Newton	

6	Administrator's address ②	
Building name/number	Allan House	② Other administrator Use this section to tell us about another administrator.
Street	10 John Princes Street	
Post town	London	
County/Region		
Postcode	W 1 G 0 A H	
Country		

7	Appointor/applicant's name	
	Give the name of the person who made the appointment or the administration application.	
Full forename(s)	Robin Anghel,	
Surname	Director	

8	Proposed liquidator's name	
Full forename(s)	Lloyd Edward	
Surname	Hinton	
Insolvency practitioner number	9 5 1 6	

9	Proposed liquidator's address	
Building name/number	Allan House	
Street	10 John Princes Street	
Post town	London	
County/Region		
Postcode	W 1 G 0 A H	
Country		

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Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name ^①

Full forename(s)

Surname

Insolvency practitioner
number**① Other liquidator**Use this section to tell us about
another liquidator.**11** Proposed liquidator's address ^②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidatorUse this section to tell us about
another liquidator.**12** Period of progress report

From date

^d^d^m^m^y^y^y^y

To date

^d^d^m^m^y^y^y^y**13** Final progress report☒ I have attached a copy of the final progress report.**14** Sign and dateAdministrator's
signature

Signature

X



X

Signature date

^d^d^m^m^y^y^y^y

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Sabrina Frappaolo**

Company name **Insolve Plus Ltd**

Address
Allan House
10 John Princes Street

Post town **London**

County/Region

Postcode **W 1 G 0 A H**

Country

DX

Telephone **020 7495 2348**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

AA Lighting Contractors Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 30/07/2020 To 28/01/2021 £	From 30/07/2020 To 28/01/2021 £
	SECURED ASSETS		
10,000.00	Intellectual Property and Goodwill	10,000.00	10,000.00
		10,000.00	10,000.00
	COSTS OF REALISATION		
	Legal Fees	792.00	792.00
	Agents/Valuers Fees	1,722.70	1,722.70
		(2,514.70)	(2,514.70)
	ASSET REALISATIONS		
245,524.87	Book Debts	260,775.05	260,775.05
30,000.00	Business & Assets	30,000.00	30,000.00
107,131.05	Director's Loan Account	NIL	NIL
	Funds held Client Account by Solicitor	10,525.60	10,525.60
		301,300.65	301,300.65
	COST OF REALISATIONS		
	Agents Fees	4,500.00	4,500.00
	Agents/Valuers Fees and Disbursements	5,168.11	5,168.11
	Asset Search	500.00	500.00
	Legal Fees	18,733.00	18,733.00
	Office Holders Fees	73,530.01	73,530.01
	Pre-Administration Costs	15,000.00	15,000.00
	Specific Bond	1,030.00	1,030.00
	Statutory Advertising	95.02	95.02
	Travel/Couriers	74.70	74.70
		(118,630.84)	(118,630.84)
	FLOATING CHARGE CREDITORS		
(107,284.00)	HSBC Bank Plc	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(1.00)	H M Revenue & Customs - CT	NIL	NIL
(626,576.24)	H M Revenue & Customs - PAYE	NIL	NIL
(697,585.80)	H M Revenue & Customs - VAT	NIL	NIL
(53,964.37)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(40.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(1,092,795.49)		190,155.11	190,155.11
	REPRESENTED BY		
	Bank I Current		165,926.01
	Vat Control Account		23,024.96
	Vat Receivable		1,204.14
			190,155.11

**Joint Administrators' Final Progress Report relating to
AA Lighting Contractors Limited ("the Company") – In Administration**

AA Lighting Contractors Limited (“the Company”) – In Administration

STATUTORY INFORMATION

Company name:	AA Lighting Contractors Limited
Court name and reference	High Court of Justice 002953 of 2020
Company number:	07014455
Trading address:	Unit 1 The Piggery, London Road, Twyford RG10 9TZ
Registered office:	Allan House, 10 John Princes Street, London W1G 0AH
Former registered office:	Unit 1 The Piggery, London Road, Twyford RG10 9TZ
Principal trading activity:	Street Lighting
Joint Administrators' names:	Lloyd Edward Hinton and Mark Newton
Joint Administrators' address:	Allan House, 10 John Princes Street, London W1G 0AH
Date of appointment	30 July 2020
Appointment made by:	Robin Anghel, the Director
Actions of Administrators	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

SUMMARY OF THE ADMINISTRATORS' PROPOSALS

The following proposals were approved by the creditors by way of a Decision Procedure on 28 August 2020:

- i). That the Joint Administrators' proposals be approved.
- ii). That the Joint Administrators' pre-Administration costs, the details of which are set out in the Administrators' proposals and issued with the notice of the decision procedure, be approved.
- iii). That the Joint Administrators' fees be approved on a combination of a fixed fee and percentage basis for different categories of work, the details of which are set out in the Insolve Plus Ltd Insolvency Assignment Charging and Disbursement Recovery Policy dated 1 June 2019.
- iv). That the Joint Administrators be permitted to recover category 2 disbursements.

STEPS TAKEN DURING THE ADMINISTRATION

Immediately following the commencement of the Administration, the Director was notified of our appointment. Statutory documentation has been filed with the Registrar of Companies and the High Court and notice to advertise our appointment has been sent to the London Gazette.

These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

Solicitors, Keidan Harrison LLP of 44 Southampton Buildings, London WC2A 1AP were instructed to prepare the sale agreement in relation to the sale of assets. The assets were sold immediately upon appointment as detailed below. Their fees were agreed on a time cost basis together with their reasonable disbursement costs. Prior to the commencement of the Administration, the Company made a payment on account of £10,000 in relation to the legal costs incurred.

The following comprises my disclosure to creditors in order to meet the requirements of Statement of Insolvency Practice 16 as regards the pre-pack sale.

Role of the Insolvency Practitioner

I was introduced to the Board of the Company by the Joint Supervisor, Mark Reynolds of Valentine & Co on 22 June 2020. I first met with the Board and their representatives on 23 June 2020 to discuss the financial affairs of the Company and Insolve Plus was formally engaged by the Board on 24 June 2020.

Prior to the commencement of the Administration, I advised the Board as a whole, acting on behalf of the Company, about the Company's financial difficulties and provided advice about the options available to the Company to help determine an appropriate course of action to take. No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, I was still required to act in my dealings with the Company in accordance with the Insolvency Code of Ethics. Prior to being appointed as Joint Administrator, I advised the Board on the various options available to the Company, liaised with the Board, asset agents, solicitors acting for the Company, solicitors acting for the Joint Supervisors in respect of an imminent winding-up petition and the Joint Supervisors themselves in respect of the details of the pre-pack sale.

The Company was placed into Administration and I was appointed Joint Administrator. As Joint Administrator I am an officer of the Court and I have taken over the management of the Company from the Board. As indicated above, the purpose of this Administration is to achieve objective (b), achieve 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).

In order to help me achieve the objective I have a wide range of powers, as set out in the insolvency legislation, and I must perform my functions as quickly and efficiently as is reasonably practicable. I must also act in the interests of the creditors of the Company as a whole other than where objective c) is being pursued I need only ensure that I do not unnecessarily harm the interests of the creditors of the Company as a whole.

Pre-appointment considerations

The case was introduced to Insolve Plus by one of the Joint Supervisors, Mark Reynolds of Valentine & Co on 22 June 2020.

Following our instruction, a number of alternative courses of action was considered in light of the imminent failure of the CVA.

The Company was already subject to a CVA and therefore continuing with the current CVA was not an option.

The Director could have taken steps to place the Company into Creditors' Voluntary Liquidation ("CVL"), although this does not provide protection from creditor action in the period from when the meeting to place a company in to CVL is convened to when the meeting is held. Furthermore, the business would have to cease to trade thus significantly reducing the value of the Company's assets.

The cessation of trade would have led to the employees being made redundant resulting in claims arising for unpaid wages, holiday pay, notice and redundancy.

In addition, were the Company to enter CVL this would also adversely affect the collectability of the debtor ledgers as many of these debtors had ongoing contracts with the Company which would be cancelled. Furthermore, the value of the goodwill relating to these contracts would be diminished. Debtor realisations also tend to be lower in a Liquidation scenario.

Steps could have been taken to place the Company into Compulsory Liquidation or the Board could have simply done nothing and waited for the Joint Supervisors to petition for the winding-up, which, as previously stated, would have happened imminently, had a Notice of Intention to Appoint Administrators been filed. These options would have resulted in the same outcome as those set out in relation to a CVL, above.

The Company would not qualify for the new Moratorium procedure.

It was not considered possible for the Joint Administrators to trade the business for the following reasons and therefore no request was made to potential funders to fund working capital requirements.

1. The downturn in activity due to the COVID-19 Pandemic meant that it would be highly unlikely that the Joint Administrators could trade profitably during any trading period.
2. Health and Safety.
3. COVID-19 Pandemic and the inability to have staff on site to monitor trading.

The various courses of actions and the possible outcomes have already been discussed above.

I consulted the Joint Supervisors on the proposed Administration, the decision not to trade and on the details of the proposed pre-pack sale.

The Joint Supervisors had an in depth knowledge of the business and the difficulties it had faced, both in recent years and as a result of the COVID-19 Pandemic, they were representing the majority of the creditors of the Company and were preparing to issue a winding-up petition. The Joint Supervisors confirmed, in writing, that they supported the proposed course of action.

The pre-pack sale of the business enabled me to achieve the objective set out above as it achieves a better result for the creditors as a whole than would be likely if the Company had been placed into Liquidation without first being in Administration, as I have indicated above. I can also confirm that the outcome achieved as a result of the pre-pack sale was the best available outcome for creditors of the Company as a whole in all the circumstances of the case.

Valuation of the business and assets

SIA Group ("SIA") of 107 Cheapside, London EC2V 6DN, members of the National Association of Valuers and Auctioneers (NAVA) were instructed to value and market the Company's assets.

I confirm that SIA have confirmed their independence and carry adequate PII.

SIA have provided two values, estimated Market Value In-Situ and Market Value Ex-Situ (Assets sold as individual items – 90 days).

Market Value (In-Situ) – This is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. This valuation basis further assumes that the assets are treated as follows:

- the plant and equipment will remain as a whole in-situ in their existing location following sale;
- the value provided is the gross value and does not allow for any agent's commission or other sale fees;
- all plant and equipment valued will be available for sale at the one time.

Market Value (Ex-Situ) – This is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. This valuation basis further determines that the assets are treated as follows:

- the plant and equipment has been valued as individual items for removal;
- the value provided is the gross value and does not allow for any agent's commission or other sale fees;
- all plant and equipment valued will be available for sale at the one time.

SIA were also instructed to value the Goodwill. Whilst it appears to show the business currently producing an operating profit, it is viewed with caution as it is unlikely to include the full years trading expenditure and overhead costs. The significant factor is the continued trend in turnover being at circa 50% of historic levels.

SIA were advised that the Company has no formal registered IPR, Trademarks or Patents etc.

In valuing the Goodwill and forming their opinion of value, particular emphasis is placed on the following positives and negative key factors:

1. The established reputation in the market.
2. The technical know-how and market knowledge of the skilled workforce.
3. The continuity of supply to clients where existing skills, knowledge and spare parts exist within the business.
4. The significant investment in the website and marketing invested to establish the business and name within the industry.

Asset category	Valuation basis & amount £ (e.g. Market value in-situ)	Valuation basis & amount £ (e.g. Market value ex-situ or Orderly Liquidation Value etc)
<u>Fixed charge assets</u> Goodwill/WIP/IPR	 50,000	

<u>Floating charge assets</u>		
Office Furniture & Computer Equipment	2,290	784
Plant & Machinery	7,800	3,015
Stock	1,000	200
Total	61,000	3,999

The Goodwill, Plant & Machinery, and Stock were sold for total consideration of £40,000.

The fees and disbursements of SIA in relation to the sale of the business and assets were agreed on a fixed fee and 10% of gross realisations. I can confirm that their fees have been paid.

Marketing of the business and assets

The business and assets of the Company were extensively marketed by SIA, prior to the appointment of the Joint Administrators. This was done via their own network of interested parties and two well known business sale websites. Whilst there was significant interest, ten parties returned signed nondisclosure agreements. Of those ten, two decided to make formal written offers for the business and assets.

Details of the pre-pack sale

The Company assets were sold on 31 July 2020 to FMJ Solutions Limited of Room S1 Second Floor Chilterns House, Eton Place, 64 High Street, Slough SL1 7JT, a company controlled by Adrian Costin, Jetmir Leka, Mihai Paducel and Florian Popa.

The above-mentioned assets were sold for £40,000 with immediate payment. I confirm that the sum of £40,000 has been received by my Solicitor.

The offer was accepted following the recommendation of SIA who advised that this was the best sale price reasonably obtainable in the circumstances of this case as despite the marketing undertaken and the enquiries made by other interested parties the offer from FMJ Solutions Limited was the highest offer received.

The assets sold consist of:

1. The Goodwill;
2. The Plant & Machinery;
3. The Stock;
4. The Benefit (subject to the burden) of the Business Contracts; and
5. The Business Intellectual Property Rights.

The value received for the sale of the assets is slightly lower than the valuation obtained. I believe that this is a direct result of the COVID-19 Pandemic. Potential purchasers were reluctant to take risks or make significant purchases in the current global crisis.

The sale consideration is not based upon the trade and performance of the purchaser and therefore no future monitoring of the purchaser is required. There are no options, buy-back arrangements, deferred consideration or other conditions attached to the contract of sale.

The sale of assets to FMJ Solutions Limited is not part of a wider transaction.

Further to the reasons mentioned earlier in this report it was not possible to trade the business and therefore had the sale not been agreed the employees of the Company would have been made redundant which would have led to substantial claims for redundancy and notice pay as the majority of those employees have been employed for a significant number of years.

It should also be noted that as part of the sale agreement, the purchaser has undertaken to honour any defects liabilities in respect of works completed by the Company, prior to Administration. This should have a dramatic impact upon the collectability of the debtor ledger. The benefit of which significantly outweighs the slight disparity between the valuation and the sale consideration.

The purchaser has purchased all of the Company's assets and the employees have been transferred for the purposes of TUPE 2006 (Transfer of Undertakings (Protection of Employment) regulations) ("TUPE"). As a result of the sale, the employees jobs have been preserved.

Conclusion

The pre-pack was in the interest of creditors as a whole as it was not possible to continue to trade the Company due to the current CVA, various Health & Safety regulations in place and the ongoing COVID-19 pandemic, and the Joint Administrators anticipated that it would not produce a profit during any trading period therefore a quick sale was appropriate in this instance.

The seamlessness of a pre-pack sale minimises erosion of customer and client confidence, thus preserving the value of the assets, in particular the Goodwill element and work-in-progress. It also avoids protracted procedural delays and consequently results in lower costs.

The ability to complete the sale within a rapid timescale ensured the continuity of the business. It has also meant that the assets could be sold in-situ.

Furthermore, the employees have been transferred under TUPE therefore removing employee uncertainty (especially during the COVID-19 pandemic) and ensuring that any employee liability transfers to the purchaser, rather than remaining with the Company.

The pre-pack sale also helped preserve the value of debtor ledger as many of those debtors have ongoing contracts and therefore there cannot be any counter-claims for breach of contract. In addition, the purchaser has agreed to carry out any remedial works which will also enhance the collectability of the book debts.

I confirm that the sale price achieved, and also the outcome, was the best available outcome for creditors of the Company as a whole in all the circumstances of the case and that the pre-pack sale achieves the statutory purpose of the Administration that I am seeking to achieve in respect of the Company.

The delay in providing creditors with details of the pre-pack sale was due to the Director not providing me with a list of the creditors.

Other Matters

I instructed Kinetica Consult Ltd ("Kinetica") of 26 Pipkin Drive, Buntingford, Hertfordshire SG9 9FU to review the debtors schedule to include the invoices debts, applications and retention.

Kinetica was also instructed to liaise with the Director and collect the debtors. Their fees were agreed at a fixed fee of £4,500 plus VAT and 20% of gross recoveries.

To assist Kinetica, it was also agreed that the Director be paid 1% of all debtors invoiced and collected between August 2020 and 20 November 2020. However, the agreement drafted and forwarded to the director was never returned signed.

During the course of the Administration I have also carried out a investigation into the affairs of the Company and submitted a report to The Insolvency Service.

Following a review of the Company's accounts it became apparent that the Director had an overdrawn loan account. A settlement agreement has been reached with the Director in the sum of £107,131 and payment is to be made by way of monthly instalments over 36 months. Solicitors, Keidan Harrison, were instructed to prepare the settlement agreement.

The Joint Supervisors of the CVA are holding funds which they collected in relation to post-CVA tax liabilities and the Director's Overdrawn Loan Account. I am in correspondence with the Joint Supervisors, together with my Solicitors, Keidan Harrison, to establish the amount of the funds they are holding and how those funds will be treated. I will provide creditors with an update in a subsequent report.

OUTCOME OF ADMINISTRATION

You will recall that I was seeking to achieve objective (b), achieve 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);

The purpose of the Administration has been achieved by completing a pre-pack sale of the business together with enhanced debtor realisations which were anticipated and have been forthcoming as a result of the continuity of the underlying business and the adoption of the defects liability.

The Administration will now be converted to Creditors Voluntary Liquidation to facilitate the dividend to unsecured creditors.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 30 July 2020 to 28 January 2021 is attached. The Receipts and Payments account shows that the balance of £190,155 has been transferred to the Liquidator.

RECEIPTS

Intellectual Property and Goodwill

The Intellectual Property and Goodwill were sold to FMJ Solutions Limited for the sum of £10,000 which has been received in full.

Book Debts

During the period covered by this report, book debts of £260,775 have been received.

Business and Assets

The assets were sold to FMJ Solutions Limited for the sum of £30,000 which has been received in full.

Funds held in Client Account by Solicitor

Solicitors, Keidan Harrison were holding funds of £10,526 on their client account which have been received.

PAYMENTS

Legal Fees

Legal Fees attributable to the sale of the Intellectual Property and Goodwill of £792 were paid to Keidan Harrison.

Agents/Valuers Fees

£1,723 was paid to SIA for the valuation attributable to the sale of the Intellectual Property and Goodwill.

Agents Fees

A sum of £4,500 has been paid to Kinetica in respect of reviewing the schedule of debts and liaising with the director regarding various queries.

Agents/Valuers Fees and Disbursements

£5,168 has been paid to SIA in respect of the valuation and sale of business and assets.

Asset Search

£500 has been paid to Forensic Accounting & Litigation Services in respect of professional advice provided.

Legal Fees

A sum of £18,733 has been paid to Keidan Harrison for advice in respect of the appointment as Administrators, preparing appointment documentation and dealing with the pre-pack sale of the business and reviewing the security held by HSBC Bank Plc.

Specific Bond

£1,030 has been reimbursed to Insolve Plus Ltd in respect of the specific bond insurance required to be held.

Statutory Advertising

A sum of £95 has been reimbursed to Insolve Plus Ltd in respect of the statutory advertising costs incurred.

Travel

An amount of £74 has been reimbursed to Insolve Plus Ltd in respect of mileage.

ASSETS REMAINING TO BE REALISED

I have not yet received the Director's Statement of Affairs as at the date of Administration.

As reported above, the following assets remaining to be realised:

Settlement of Director's Loan Account

£107,131 is to be received from the Director by way of monthly instalments for 36 months.

Funds held by Joint Supervisors

This matter is ongoing, however, it is expected that there will be a realisation from this source.

LIABILITIES

Secured Liabilities

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following charge:

HSBC Bank Plc created on 12 May 2017 and delivered on 17 May 2017. This charge remains outstanding and HSBC Bank Plc have submitted a claim in the sum of £131,191.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case the prescribed part will apply.

A payment will shortly be made to HSBC Bank Plc in respect of their fixed charge.

Preferential Creditors

I am not aware of any preferential creditors and no claims have been received.

Non-preferential Unsecured Creditors

Total unsecured creditors, as per the creditor list amounted to £1,378,127. This included an amount of £1,324,163 being owed to HM Revenue & Customs in respect of VAT, PAYE/NICE and Corporation Tax. To date I have received claims amounting to £134,007.

DIVIDEND PROSPECTS AND ALLOCATION OF COSTS

Fixed charge creditors

The following costs are those incurred to date that are directly attributable to the realisation of the Company's assets subject to a fixed charge.

As such they have been paid from fixed charge realisations as follows:

Details of Expenditure	Amount paid £	Amount allocated, yet to be paid £
Keidan Harrison – Legal Fees	792.00	0.00
SIA Group – Valuation Fees	1,723.00	0.00

The remaining costs are general costs of the Administration or costs directly attributable to the realisation of the floating charge assets.

The basis on which I have apportioned those costs is the percentage of the legal fees and agents fees in proportion to the asset sale.

A dividend will be declared to non-preferential unsecured creditors and accordingly the Company has been placed into Creditors' Voluntary Liquidation to facilitate the distribution.

As previously advised, the Company gave a floating charge to HSBC Bank Plc on 12 May 2017 and the prescribed part provisions apply.

On the basis of realisations to date, and after taking into account the costs of the Administration, the net property of the Company is £182,469, and the prescribed part of the net property available for unsecured creditors is £39,494.

Based on current realisations, HSBC Bank Plc will be paid in full and therefore the provisions of the prescribed part will not apply. The Company is being placed into Creditors' Voluntary Liquidation in order to make a distribution to unsecured creditors.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

I am required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation. Specifically, I reviewed the Company's accounting records; obtained and reviewed copy bank statements from the Company's bankers; and reviewed the information in the Company's last set of accounts.

A signed Settlement Agreement has been received regarding Director's loan account confirming the basis of repayment by the director. There are no further matters that justified further investigation in the circumstances of this appointment.

Within 3 months of my appointment as Administrator, I was required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

PRE-ADMINISTRATION COSTS

On 28 August 2020 the following pre-administration costs were approved by the Creditors.

Pre-administration fees charged by Insolve Plus Ltd: £15,000 plus VAT.

These costs have been paid in full, as detailed in the attached receipts and payments account.

ADMINISTRATORS' REMUNERATION

My remuneration was previously authorised by the creditors on 28 August 2020. I was authorised to draw a fixed fee of £18,500 plus VAT for my work in respect of Administration, Investigation and Creditors.

I have drawn £18,500 plus VAT to date in respect of work done for which my fees were approved as a fixed fee.

I was also authorised to draw a % of realisations for my work in respect of the realisation of assets. Based on realisations I have achieved to date I am entitled to remuneration of £55,030 which has been drawn in full.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows Insolve Plus Ltd's fee policy are available at the link www.insolveplus.com/faq

ADMINISTRATORS' EXPENSES

I have incurred expenses of £1,126 in the period since the commencement of the Administration compared to my estimated expenses of £1,126 in my proposals.

I have incurred the following expenses in the period since my appointment as Administrator which have been reimbursed to Insolve Plus Ltd:

Type of expense	Amount incurred/ accrued in the reporting period
Specific Bond	£1,030.00
Statutory Advertising	£95.02

I have incurred the following category 2 disbursements in the period since my appointment as Administrator which has been reimbursed to Insolve Plus Ltd:

Type of category 2 disbursement	Amount incurred/ accrued in the reporting period
Mileage	£74.70

As you can see above, the total expenses I incurred were in line with the total expenses I estimated I would incur when my remuneration was authorised by the creditors.

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
SIA Group	Valuer/Auctioneer	Fixed Fee & % of Realisation
Keidan Harrison	Solicitors	Time Cost
Kinetica Consult Ltd	Debtor Collector	Fixed Fee & % of Realisation

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Insolve Plus Ltd, including about our complaints policy and Professional Indemnity Insurance, can be found at www.insolveplus.com

SUMMARY

The Administration as approved in the proposals is now complete and my files will be closed. If creditors have any queries regarding the conduct of the Administration, or this report, or if they want hard copies of any of the documents made available on-line, they should contact Sabrina Frappaolo on 020 7495 2348, or by email at sabrinafrappaolo@insolveplus.com.

Yours faithfully



Lloyd Hinton FIPA
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Lloyd Edward Hinton and Mark Newton. The Joint Administrators act as agents of the Company and contract without personal liability.

AA Lighting Contractors Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 30/07/2020 To 28/01/2021 £	From 30/07/2020 To 28/01/2021 £
	SECURED ASSETS		
10,000.00	Intellectual Property and Goodwill	10,000.00	10,000.00
		10,000.00	10,000.00
	COSTS OF REALISATION		
	Legal Fees	792.00	792.00
	Agents/Valuers Fees	1,722.70	1,722.70
		(2,514.70)	(2,514.70)
	ASSET REALISATIONS		
245,524.87	Book Debts	260,775.05	260,775.05
30,000.00	Business & Assets	30,000.00	30,000.00
107,131.05	Director's Loan Account	NIL	NIL
	Funds held Client Account by Solicitor	10,525.60	10,525.60
		301,300.65	301,300.65
	COST OF REALISATIONS		
	Agents Fees	4,500.00	4,500.00
	Agents/Valuers Fees and Disbursements	5,168.11	5,168.11
	Asset Search	500.00	500.00
	Legal Fees	18,733.00	18,733.00
	Office Holders Fees	73,530.01	73,530.01
	Pre-Administration Costs	15,000.00	15,000.00
	Specific Bond	1,030.00	1,030.00
	Statutory Advertising	95.02	95.02
	Travel/Couriers	74.70	74.70
		(118,630.84)	(118,630.84)
	FLOATING CHARGE CREDITORS		
(107,284.00)	HSBC Bank Plc	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(1.00)	H M Revenue & Customs - CT	NIL	NIL
(626,576.24)	H M Revenue & Customs - PAYE	NIL	NIL
(697,585.80)	H M Revenue & Customs - VAT	NIL	NIL
(53,964.37)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(40.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(1,092,795.49)		190,155.11	190,155.11
	REPRESENTED BY		
	Bank I Current		165,926.01
	Vat Control Account		23,024.96
	Vat Receivable		1,204.14
			190,155.11

Rule 18.9 – Creditors’ and members’ requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about

remuneration or expenses (other than pre-administration costs in an administration) set out in a progress

report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

(a) a secured creditor;

(b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including

the creditor in question);

(c) members of the company in a members’ voluntary winding up with at least 5% of the total voting rights of

all the members having the right to vote at general meetings of the company;

(d) any unsecured creditor with the permission of the court; or

(e) any member of the company in a members’ voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or

filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them

in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons

who requested the information by—

(a) providing all of the information requested;

(b) providing some of the information requested; or

(c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

(a) the time or cost of preparation of the information would be excessive; or

(b) disclosure of the information would be prejudicial to the conduct of the proceedings;

(c) disclosure of the information might reasonably be expected to lead to violence against any person; or

(d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must

inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members’ voluntary winding up, who need not be the

same as the creditor or members who requested the information, may apply to the court within 21 days of—

(a) the office-holder giving reasons for not providing all of the information requested; or

(b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Rule 18.34 – Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by

a person mentioned in paragraph (2) on the grounds that—

(a) the remuneration charged by the office-holder is in all the circumstances excessive;

(b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as

applicable) is inappropriate; or

(c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37

as applicable—

(a) a secured creditor,

(b) an unsecured creditor with either—

(i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or

(ii) the permission of the court, or

(c) in a members' voluntary winding up—

(i) members of the company with at least 10% of the total voting rights of all the members having the right to

vote at general meetings of the company, or

(ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the

applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports

the charging of the remuneration or the incurring of the expenses in question ("the relevant report").