

WU07

Notice of progress report in a winding-up by the court



Companies House

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

1 Company details

Company number 0 9 7 9 1 6 6 7

Company name in full Lightning Volt Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Chris

Surname Farrington

3 Liquidator's address

Building name/number ReSolve Advisory Limited

Street 22 York Buildings

Post town London

County/Region

Postcode W C 2 N 6 J U

Country

4 Liquidator's name ①

Full forename(s) Ben

Surname Woodthorpe

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number ReSolve Advisory Limited

Street 22 York Buildings

Post town London

County/Region

Postcode W C 2 N 6 J U

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 0	^d 4	^m 0	^m 1	^y 2	^y 0	^y 2	^y 1
To date	^d 0	^d 3	^m 0	^m 1	^y 2	^y 0	^y 2	^y 2

7 Progress report

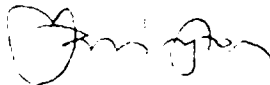
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 0	^d 3	^m 0	^m 3	^y 2	^y 0	^y 2	^y 2
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**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 **JAMES REEVES**

Company name **ReSolve Advisory Limited**

Address **22 York Buildings**

Post town **London**

County/Region

Postcode **W C 2 N 6 J U**

Country

DX

Telephone **020 7702 9775**

**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 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

Lightning Volt Limited

In Compulsory Liquidation

Liquidators' Annual Progress Report to Members and Creditors

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APPENDICES

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- II. Receipts and payments account
- III. Remuneration and expense policies, charge out rates and narrative of time incurred
- IV. Joint Liquidators' time cost summary

1. INTRODUCTION

I refer to the appointment of Ben Woodthorpe and I as Joint Liquidators of Lightning Volt Limited (the Company) on 4 January 2021 and write to members and creditors of the Company to provide a progress report on the Liquidation of the Company.

This report covers the period from 4 January 2021 to 3 January 2022 (the Reporting Period) and should be read in conjunction with my previous letter to creditors dated 29 January 2021.

Statutory information relating to the Company is included at Appendix I.

2. LIQUIDATORS' ACTIONS SINCE APPOINTMENT

The following actions have been undertaken since my appointment as Liquidator:

- Liaised with the Company's directors regarding various matters including the provision and review of information,
- Liaised with the Official Receiver regarding its correspondence with the Company's director and records collected prior to my appointment,
- Liaised with creditors generally and in relation to funding the costs of the Liquidation,
- Arranged formation of the Creditors' Committee (the Committee).
- Convened meetings and reported to the Committee regarding progress of the Liquidation,
- Liaising with solicitors, Davis Woolfe Limited (Davis Woolfe), in relation to the following:
 - Potential actions by the Liquidators against various parties associated with the Company,
 - The agreement with a creditor of the Company in relation to funding the costs of the Liquidation, and
 - Legal advice relating to ongoing correspondence with the Company's creditors and parties associated with the Company.
- General cashiering relating to the funding received from a creditor of the Company,
- Carried out our ongoing investigations into the Company's affairs and potential areas of asset realisation,
- Contacted various banks and other financial institutions regarding the Company's pre-appointment bank accounts,
- Liaised with the Company's pre-appointment accountants and solicitors to request details of their engagement and provision of any records held, and
- Dealt with the day-to-day administration of the case including dealing with our statutory duties associated with the Liquidation.

3. RECEIPTS AND PAYMENTS ACCOUNT

Attached at Appendix II is the receipts and payments account for the period 27 October 2020 (date of winding up order) to 3 January 2022.

Receipts

The sum of £1,742 has been received in relation to the balance held on a pre-appointment bank account operated by the Company.

Payments

Payments during the Reporting Period relate to the Insolvency Service's bank charges totalling £88.

The payments recorded relate to costs applied by the Insolvency Service and will be deducted on receipt of any asset realisations.

4. ASSETS AND FUTURE REALISATIONS

We are continuing with our enquiries into the affairs of the Company to establish whether there are any potential recoveries for the benefit of the Company's creditors.

Due to the ongoing nature of these enquiries, I am unable to provide further details at this time.

An update will be provided in our next report to creditors.

A summary of the matters on which I have previously reported to creditors is provided below:

Director's loan account

As previously reported, the Official Receiver has provided details of a loan account due from a director of the Company.

I am liaising with the Company's former accountant and reviewing the Company's available records to establish the value of the loan account and any other amounts that may be due to the Company.

Intellectual property

My investigations into the ownership and value of the Company's intellectual property are ongoing.

Stock

My investigations in relation to the value of any branded stock that the Company may have produced and/or distributed prior to the Liquidation are ongoing.

5. OUTCOME TO CREDITORS

Secured creditors

There are no known secured creditors.

Preferential creditors

There are no known preferential creditors.

Unsecured creditors

The Official Receiver has provided details of 24 non-preferential unsecured creditors with an estimated total liability of £6,064,009.

Since my appointment I have received five claims totalling £54,241,192, of which £48,000,000 relates to the claim received from one creditor whose details were not initially provided by the Official Receiver.

In addition to the above, a party connected to the Company has submitted a claim in relation to a sum of £8,250,000. We are awaiting evidence to support this claim.

We are unable to comment on dividend prospects at this time as our enquiries into the Company's affairs are ongoing.

Prescribed Part

Where a floating charge is created after 15 September 2003, a Prescribed Part of the Company's net property (the amount available to the floating charge holder after costs of the Liquidation) shall be made available to unsecured creditors. The Prescribed Part is calculated at 50 per cent of net realisations up to £10,000 and 20 per cent of the net property that exceeds this amount up to a limit of £800,000.

There are no known floating charges, as such the Prescribed Part does not apply.

6. INVESTIGATIONS

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

As detailed above we are currently liaising with solicitors, Davis Woolfe regarding potential recoveries for the Company's creditors.

Costs incurred by Davis Woolfe have been settled by a creditor of the Company as per a funding agreement between the Liquidators and such creditor. Further details in relation to the funding agreement and costs incurred by Davis Woolfe are provided in Sections 7 and 8 below.

7. LIQUIDATORS' REMUNERATION

My remuneration was previously authorised by creditors by way of a decision procedure on 18 February 2021 to be drawn on a time cost basis.

As part of the decision procedure, sufficient nominations were received to require the formation of the Committee. As a result, it became the Committee's responsibility to approve my remuneration in this matter. I can confirm that at a meeting of the Committee held on 14 April 2021 my remuneration was authorised to be drawn on a time cost basis.

My time costs to 3 January 2022 amount to £89,444, representing 226 of hours work at an average charge out rate of £395 per hour.

In the circumstances of the Liquidation there are insufficient funds to draw remuneration from the Liquidation estate. As such, to carry out detailed investigation or instigate legal action for recovery of assets it was considered appropriate to seek funding from creditors. An agreement was subsequently reached with one creditor for the purpose of funding the costs of the Liquidation.

In relation to the agreement the creditor has made payment of £50,000 during the Reporting Period, which has been used to pay our time costs to the value of £41,667 + VAT.

The creditor has also made payments in relation to Davis Woolfe's legal fees, further details are provided in Section 8, below.

A schedule of my charge out rates, expense policy and a narrative description of the work undertaken in the Liquidation to date, together with the time costs incurred to date is attached as Appendices III and IV.

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/>.

The relevant creditor's guide to Liquidators' Fees can be found under the heading Creditor Guides on my website at <http://www.resolvegroupuk.com/resources/>. Please note there are different versions of the guides, and in this case you should refer to the latest version. A hard copy can be obtained on request, free of charge, from this office.

8. LIQUIDATORS' EXPENSES

My expenses to 3 January 2022 amount to £537.

No category 2 expenses have been incurred. I confirm the basis of charging category 2 expenses was approved by the Committee on 14 April 2021.

I have not been able to draw any expenses in this matter.

The following expenses were incurred:

Post-appointment	Category 1	Category 2	Total	Incurred in period	Paid to date	Estimated future
£						
Advertising	95.00	-	95.00	95.00	-	-
Bonding	320.00	-	320.00	320.00	-	-
Postage	44.50	-	44.50	44.50	-	-
Printing & Stationery	-	-	-	-	-	-
Creditor reporting service	25.00	-	25.00	25.00	-	-
Land registry searches	6.00	-	6.00	6.00	-	-
Travel (Rail)	46.00	-	46.00	46.00	-	-
Total	536.50	-	536.50	536.50	-	-

The following professional advisors have been utilised in this matter:

Professional Advisor	Nature of Work	Fee Arrangement	Fees incurred to date /£	Paid	Estimated future fees
Davis Woolfe Limited	Solicitors	Time costs	15,702.50	15,702.50	Uncertain
Total			15,702.50	15,702.50	Uncertain

Further details in relation to the work undertaken and costs incurred by Davis Woolfe are provided in Section 6, above.

The choice of professionals 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. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

9. FURTHER INFORMATION

The Liquidation will remain open until the following matters have been completed:

- Continued our investigations for the purpose of identifying and pursuing potential recoveries (subject to continued funding being made available)
- Addressed our statutory duties, and
- Finalised the Liquidation, issued the final report and closed the case.

I estimate this may take longer than 12 months to conclude and I will provide a further update in our next report to creditors. Once concluded the Liquidation will be brought to an end and the final receipts and payments account filed at Companies House.

An unsecured creditor may, with the permission of the court or with the concurrence of five per cent in value of the unsecured creditors (including the creditor in question) request further details of the Liquidators' remuneration and disbursements, 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 ten per cent in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

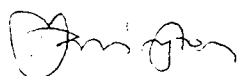
At ReSolve we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of this case then in the first instance you should contact one of the Joint Liquidators at the address given in this letter.

If you consider that they have not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer at complaints@resolvegroupuk.com. This will then formally invoke our complaints procedure and we will endeavour to deal with your complaint under the supervision of someone unconnected with the appointment.

If you still feel that you have not received a satisfactory response then you may be able to make a complaint to the Complaints Gateway operated by the Insolvency Service. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, or you may email ip.complaints@insolvency.gsi.gov.uk, or you may phone 0300 6780015. The Complaints Gateway will in turn determine if such complaint should be addressed by Mr Farrington's and Mr Woodthorpe's regulatory body. Details of the relevant call charges and opening hours can be found here: <http://www.resolvegroupuk.com/policies2/>.

Should you have any queries regarding the conduct of the Liquidation or any other queries, please do not hesitate to contact James Reeves of this office.

Yours faithfully



Chris Farrington
Joint Liquidator

For enquiries regarding this correspondence please contact:

Contact name: James Reeves
Phone number: 020 7702 9775
Email: james.reeves@resolvegroupuk.com

Cameron Gunn, Mark Supperstone, Lee Manning, Chris Farrington, Ben Woodthorpe, Myles Jacobson and Simon Jagger are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales and act without personal liability at all times
Please refer to the firm's privacy notice setting out your rights and explaining how your data will be used. The notice can be found on our website here www.resolvegroupuk.com/policies2/.

APPENDIX I

STATUTORY INFORMATION

Company name:	Lightning Volt Limited
Registered number:	09791667
Previous name:	Rich Energy Limited (to 16 July 2019)
Date of incorporation:	23 September 2015
Registered office:	c/o ReSolve Advisory Limited 22 York Buildings John Adam Street London WC2N 6JU
Court name and reference	High Court of Justice 5610 of 2019
Date of Liquidators' appointment:	4 January 2021
Appointed by:	Secretary of State
Joint Liquidators:	Chris Farrington (IP No. 8751) Ben Woodthorpe (IP No. 18370) ReSolve Advisory Limited 22 York Buildings John Adam Street London WC2N 6JU
Actions of Joint Liquidators'	Any act required or authorised under any enactment to be done by a Liquidator may be done by either or both of the Liquidators acting jointly or alone.
EC Regulations of Insolvency Practitioners:	The EC Regulations apply to the proceedings, which are categorised as main proceedings with the meaning of the Regulations

APPENDIX II

RECEIPTS AND PAYMENTS ACCOUNT

SUMMARY OF LIQUIDATORS' RECEIPTS AND PAYMENTS
FROM 27 OCTOBER 2020 (DATE OF WINDING UP ORDER) TO 3 JANUARY 2022

	27-Oct-20 to 03-Jan-21 £	04-Jan-21 to 03-Jan-22 £	Total Receipts/ Payments £
RECEIPTS			
Deposit for costs	1,600.00	-	1,600.00
Cash at bank	-	1,742.29	1,742.29
	<u>1,600.00</u>	<u>1,742.29</u>	<u>3,342.29</u>
PAYMENTS			
Bank charges	-	88.00	88.00
Liquidation administration charge	5,000.00	-	5,000.00
Official Receiver's General Fee	6,000.00	-	6,000.00
	<u>11,000.00</u>	<u>88.00</u>	<u>11,088.00</u>
Balance (Receipts less Payments)	<u>(9,400.00)</u>	<u>1,654.29</u>	<u>(7,745.71)</u>
REPRESENTED BY			
Bank account (ISA, interest bearing)			<u>(7,745.71)</u>
TOTAL			<u><u>(7,745.71)</u></u>

Chris Farrington
Joint Liquidator

APPENDIX III

LIQUIDATORS' REMUNERATION POLICY, EXPENSE POLICY, CHARGE OUT RATES AND NARRATIVE

Joint Liquidators' **charge out rates**

The Joint Liquidators are remunerated on a time cost basis. Charge out rates used are appropriate to the skills and experience of a member of staff and the work that they perform. Time is recorded in six-minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. The hourly charge out rates to be used on this case are as follows:

Staff grade	Rate per hour from 1 May 2021 (£)	Rate per hour from 1 January 2020 (£)
Partner	625 - 755	625 - 755
Director	515 - 535	515
Senior Manager	435	435
Manager	375	375
Assistant Manager	305	305
Senior Administrator	255	255
Administrator	220	220
Junior Administrator	175	175

Secretarial and support staff are not charged to the cases concerned, being accounted for as an overhead of ReSolve Advisory Limited. Our cashier is charged at the Senior Administrator rate. The charge out rate for Chris Farrington (the lead office holder in this case), is £625 per hour.

Expense policy

In accordance with Statement of Insolvency Practice 9, the basis of expense allocation must be fully disclosed to creditors. Expenses are categorised as either Category 1 or Category 2 expenses:

Category 1

These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without creditor approval. Examples of Category 1 expenses are statutory advertising, external meeting room hire, external storage, specific bond insurance, external information hosting charges, and Company search fees.

Category 2

These are payments to associates or which have an element of shared costs. Before being paid, Category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement. Category 2 expenses that are likely to be incurred, and require specific approval include:

Mileage	45 pence per mile paid to staff working on the insolvency appointment
Photocopying	20 pence per sheet of paper for reporting purposes (correspondence will be digital where at all possible to minimise this expense)

Category 1 and Category 2 expenses are subject to the rights of creditors to seek further information about them or challenge them.

Professional advisors may be instructed to assist the office holder on the case where they consider that such assistance is necessary to enable them to appropriately administer the case. The fees charged by any professional advisors used will be recharged at cost to the case. Where the professional advisor is not an associate of the office holder it will be for the office holder to agree the basis of their fees. Where the professional advisor is an associate of the office holder it will be for those responsible for fixing the basis of the office holder's remuneration to approve payments to them. The fees of any professional advisors are subject to the rights of creditors to seek further information about them or challenge them. Professional advisors that may be instructed on a case include:

- Solicitors/Legal Advisors,
- Auctioneers/Valuers,
- Accountants,
- Quantity Surveyors,
- Estate Agents,
- Pension specialists,
- Employment Claims specialists, and
- GDPR/Cyber Security specialists.

Narrative of work carried out:

Administration and Planning

This represents the routine administrative work that is required of the office holders and their staff, together with the control and supervision of the work done on the case by the office holders and their staff. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the SIP, which set out required practices that office holders must follow:

Case planning

- Preparing the documentation and dealing with the formalities of appointment.
- Review and storage of Company records.
- Case planning and administration.

Cashiering

- Dealing with the day to day management of the internal cash book.
- Cashiering tasks associated with the funding agreement
- Reconciling the Company's bank account.

General administration

- Statutory notifications and advertising.
- Case bordereau.
- Preparing the documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details.
- Liaising with the Company's directors regarding provision of information.

Creditors

Work involved in dealing with all classes of creditors.

The office holders need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holders will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holders are required to undertake this work as part of their statutory obligations.

- Dealing with creditor correspondence, emails and telephone conversations.
- Maintaining up to date creditor information on the case management system.
- Preparation of initial letter to creditors
- Tasks associated with the formation of the Committee, meeting with the Committee and providing general updates

Investigations

Insolvency legislation gives the office holders powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holders are required by the SIP to undertake an initial investigation to determine whether there are potential recovery actions for the benefit of creditors and any time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holders will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors. Any approval for an increase in fees will be sought as necessary. Such recovery actions will be for the benefit of the creditors and the office holders will provide an estimate of that benefit if an increase in fees is necessary.

- Investigation into the Company's affairs.
- Communication with solicitors, Davis Woolfe.

Realisation of Assets

This is the work that needs to be undertaken to protect and then realise the known assets, which should directly benefit creditors.

- Investigations into assets recoverable for the benefit of the Company's creditors.
- Writing to the Company's pre-appointment bankers.

Statutory

These activities involve complying with legislation including but not limited to; The IA86, The IR16, The Companies Act 2006, The Bribery Act 2010, the Money Laundering Regulations 2017, SIPs and Pension Regulations. These activities do not add any direct benefit to creditors and they form part of the statutory obligations of the Liquidation.

- Preparation and delivery of all statutory documentation.
- Informing Companies House of the Liquidation.
- Dealing with statutory issues required under IA86, IR 2016 and the Statements of Insolvency Practice.

APPENDIX IV

JOINT LIQUIDATORS' TIME COSTS SUMMARY

A total of 226 hours were spent for the period 4 January 2021 to 3 January 2022 at an average charge out rate of £395 bringing the total cost to £89,444.

A summary table is shown below:

	PARTNER / DIRECTOR		MANAGER		OTHER SENIOR PROFESSIONAL		TOTAL		AVERAGE RATE
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration & Planning									
Case planning / monitoring	7.25	4,531.25	35.80	15,573.00	19.20	5,805.00	62.25	25,909.25	416.21
Cashiering	0.40	250.00	-	-	4.50	1,195.00	4.90	1,445.00	294.90
General administration	2.50	1,562.50	12.60	5,481.00	11.45	2,689.00	26.55	9,732.50	366.57
	10.15	6,343.75	48.40	21,054.00	35.15	9,689.00	93.70	37,086.75	395.80
Creditors									
Unsecured	10.00	6,250.00	12.20	5,229.00	7.80	2,319.50	30.00	13,798.50	459.95
Creditors committee	3.00	1,875.00	13.30	5,785.50	17.50	5,886.50	33.80	13,547.00	400.80
	13.00	8,125.00	25.50	11,014.50	25.30	8,206.00	63.80	27,345.50	428.61
Investigations									
General investigation	0.10	62.50	4.20	1,827.00	15.30	4,649.50	19.60	6,539.00	333.62
Other investigation	9.25	5,781.25	-	-	5.30	1,565.50	14.55	7,346.75	504.93
	9.35	5,843.75	4.20	1,827.00	20.60	6,215.00	34.15	13,885.75	406.61
Realisation of Assets									
Debtors	-	-	-	-	1.40	427.00	1.40	427.00	305.00
Other assets	0.10	62.50	11.00	4,785.00	2.30	701.50	13.40	5,549.00	414.10
	0.10	62.50	11.00	4,785.00	3.70	1,128.50	14.80	5,976.00	403.78
Statutory									
Statutory paperwork / form completion	0.10	62.50	-	-	13.60	3,213.00	13.70	3,275.50	239.09
Filing documents with CH / Court	-	-	-	-	0.20	44.00	0.20	44.00	220.00
Reporting to creditors	-	-	-	-	6.00	1,830.00	6.00	1,830.00	305.00
	0.10	62.50	-	-	19.80	5,087.00	19.90	5,149.50	258.77
Total hours and cost	32.70	20,437.50	89.10	38,680.50	104.55	30,325.50	226.35	89,443.50	395.16