

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

03346497

Name of Company

First Light (London) Limited

I / We

David Elliott, Victory House, Quayside, Chatham Maritime, Kent ME4 4QU

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 23/02/2013 to 22/02/2014

Signed



Date

10/03/14

Moore Stephens LLP
Victory House
Quayside
Chatham Maritime
Kent ME4 4QU

Ref C65804/SFS/LJC/JZB

WEDNESDAY



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MOORE STEPHENS

Strictly Private & Confidential

FIRST LIGHT (LONDON) LIMITED ("THE COMPANY")

Report to the members and creditors in accordance with Rule 4.49C CVL of the Insolvency Rules 1986

10 March 2014

Moore Stephens LLP
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This report is intended for use by those parties entitled to a copy thereof under Rule 4.49C CVL of the Insolvency Rules 1986. It may contain information that is privileged confidential or exempt from disclosure and any dissemination distribution or copying of it and its attachments is strictly prohibited. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

David Elliott is authorised in the UK to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

1 **Statutory information**

Company name	First Light (London) Limited
Company number	03346497
Registered office	Victory House Quayside Chatham Maritime Kent ME4 4QU
Date of appointment	23 February 2012
Liquidator	David Elliott
Liquidator's address	Moore Stephens LLP Victory House Quayside Chatham Maritime Kent ME4 4QU

2 **Progress to date**

- 2 1 The receipts and payments account attached in Appendix I details the asset realisations to date
- 2 2 The statement of affairs showed assets with an estimated to realise value comprising Goodwill of £2,500, Furniture & Equipment of £1,522, Stock & DJ Equipment of £23,050 and the Director's Loan Account of £9,535
- 2 3 Prior to my appointment, the director instructed MacMillan Browne (UK) Limited to value the assets of the Company and these values were used to prepare the statement of affairs. An offer was received for the purchase of the assets of the company from DJC Events Limited, a company with no common directors or shareholders, for the values placed on the assets by MacMillan Browne (UK) Limited
- 2 4 The offer was reviewed and accepted on the basis that it represented the greatest return to the general body of creditors. A sale agreement was produced by MacMillan Browne (UK) Limited and the sum of £1,000 per month was due to be paid for 24 months, the first of such payment was due on 22 March 2012. I would advise that to the anniversary of my appointment payments totalling £22,000 have been received. The purchaser has been advised that they are in breach of the terms of the Sale Agreement but due to cashflow they have been unable to maintain the payments. The purchaser remains in contact with me as liquidator and it is believed that the balance of funds will be received in due course. The Sale Agreement does entitle me to recover the stock & DJ equipment should payments not be forthcoming.
- 2 5 The director's loan account shown in the statement of affairs was believed to be recoverable in full. I would advise that confirmation of these amounts was requested from the company's book-keeper but no response was received and I am advised that she no longer retained by the director. I am further advised that new accountants will be reviewing the position and providing me with a schedule as to the payments made.
- 2 6 I have also received cash at bank of £504.35 and bank interest of £6.74.

3 **Investigations**

- 3 1 An appropriate report/return on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business Innovation & Skills in accordance with the liquidator's statutory duties. Please note that the content of this report/return are of a privileged and confidential nature and so cannot be disclosed to third parties.

4 **Liquidator's remuneration and category 2 disbursements**

- 4 1 At the initial meeting of creditors held on 23 February 2012 the following resolutions were passed
- That the fee for convening the meeting of creditors and preparing the Statement of Affairs, to be paid from the assets of the Company, be fixed at £5,000 plus VAT and disbursements as follows

Rule 4.38

Preparation of statement of affairs in statutory form by Moore Stephens LLP	£1,500
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Rule 4.62

Summoning, advertising and holding of creditors' meeting by Moore Stephens LLP	£1,500
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General advice in connection with the liquidation proceedings by Moore Stephens LLP	£2,000
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Total	£5,000
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- That the remuneration of the liquidator be fixed by reference to the time properly given by the liquidator and his staff in attending to matters arising in the liquidation in accordance with Rule 4.127(2)(b) of the Insolvency Rules 1986
- The liquidator shall be authorised to draw his firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage, mileage and room hire, as and when funds permit

4.2 The fee for convening the meeting of creditors and preparing the statement of affairs has been drawn in accordance with the resolutions passed

4.3 A detailed breakdown of liquidator's time costs and category 2 disbursements, together with current charge out rates is attached in Appendix II. The time costs incurred to date have arisen primarily as a result of corresponding with the former director for repayment of funds due under the terms of the sale agreement. In addition we have dealt with the statutory functions required under the Insolvency Act and Rules and also enquiries from creditors. No liquidator's fees have been drawn.

4.4 Should you wish to receive a copy of "A Creditors' Guide to Liquidators' Fees" this is available on the Moore Stephens website <http://www.moorestephens.co.uk/corporaterecovery.aspx> or by requesting a copy from this office in writing or by telephone.

5 Liquidator's expenses

5.1 A schedule of all expenses incurred in the period have been detailed in Appendix III.

5.2 Accountancy Fees of £265 have been paid to Metsons Accountants Limited in respect of their fees for preparing and submitting the final P35 return to H M Revenue & Customs. They were engaged to complete the return as they were in possession of the relevant documentation as former accountants to the company.

5.3 Invicta Archive Storage Limited have been paid the sum of £723 in respect of their fees for the secure storage of the company's physical books and records.

6 Creditors' rights

6.1 Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor with the permission of the court may request in writing that the liquidator provide further information about his remuneration or expenses which have been itemised in the progress report.

Within 14 days of receipt of the request, I must provide all of the information asked for, except so far as I consider that

- the time or cost of preparation of the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or
- I am subject to an obligation of confidentiality in respect of the information.

I am also required to give reasons for not providing all of the requested information.

6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may, within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the liquidator's remuneration, the remuneration charged, or the expenses incurred by the liquidator as set out in the progress report are excessive

7 **Liabilities**

7.1 Secured creditors

HSBC Bank Plc hold fixed and floating charges over the assets of the company securing their lending under a debenture which was created on 9 December 2003 and registered at Companies House on 12 December 2003. The amount outstanding to HSBC Bank plc is approximately £1,119 and therefore it is anticipated that the Bank will be repaid in full from the fixed charge assets.

7.2 Preferential creditors

I am not aware of any preferential creditors.

7.3 Unsecured creditors

All creditors have been advised of the liquidation and invited to send details of their claim in the proceedings. I have received 10 non-preferential claims totalling £98,248.31 compared to £147,124 shown in the statement of affairs. There remain a number of creditors who have not submitted their claim in the proceedings but I would invite them to do so by completing and returning the proof of debt form attached to my earlier report.

Based on current estimates, it is believed that a small dividend would become payable to the non-preferential creditors if repayment is made in full by DJC Events Limited.



David Elliott
Liquidator

David.Elliott@moorestephens.com

Sarah.Samuels@moorestephens.com

Liquidator's receipts and payments account

First Light (London) Limited (In Liquidation)

	Statement of affairs £	From 23/02/2013 To 22/02/2014 £	From 23/02/2012 To 22/02/2014 £
RECEIPTS			
Goodwill	2,500 00	0 00	0 00
Furniture & Equipment	1,522 00	0 00	1,522 00
Stock & DJ Equipment	23,050 00	13,000 00	20,478 00
Director's Loan Account	9,535 00	0 00	0 00
Cash at Bank		0 00	504 35
Interest Gross of Tax		3 32	6 74
Suspense Account		0 00	91 80
		<u>13,003 32</u>	<u>22,602 89</u>
PAYMENTS			
Preparation of S of A		5,000 00	5,000 00
Accountancy Fees		0 00	265 00
Stationery & Postage		32 39	32 39
Statutory Advertising		0 00	382 50
Specific Penalty Bond		0 00	80 00
Storage		236 00	723 00
Office Holders Outlays		6 85	17 00
		<u>5,275 24</u>	<u>6,499 89</u>
Net Receipts/(Payments)		<u>7,728 08</u>	<u>16,103 00</u>
MADE UP AS FOLLOWS			
VAT Receivable			0 00
Bank 2 - Current (F)			14,870 62
Bank 2 - Deposit (F)			0 00
Vat Control Account			1,232 38
			<u>16,103 00</u>

Breakdown of time costs and category 2 disbursements

First Light (London) Limited - In Creditors' Voluntary Liquidation

Summary of Moore Stephens' time-costs from 23/02/2013 to 22/02/2014

	Partner / Associate	Director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	0.85	2.10	0.10	6.90	9.95	1,443.75	145.10
Realisation of assets	-	1.10	1.85	1.10	4.05	557.50	137.65
Creditors	0.25	1.90	0.10	-	2.25	466.75	207.44
Total hours	1.10	5.10	2.05	8.00	16.25		
Total time costs £	412.50	969.00	243.50	843.00		2,468.00	151.88

Summary of Moore Stephens' time-costs from 23/02/2012 to 22/02/2014

	Partner / Associate	Director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning	1.50	10.00	1.00	20.55	33.05	4,512.75	136.54
Investigations	-	1.70	0.25	5.40	7.35	720.75	98.06
Realisation of assets	-	4.45	3.65	1.65	9.75	1,455.70	149.30
Creditors	2.10	3.50	1.25	0.50	7.35	1,590.50	216.39
Tax	-	0.05	0.50	-	0.55	80.25	145.91
Total hours	3.60	19.70	6.65	28.10	58.05		
Total time costs £	1,317.75	3,882.25	779.00	2,400.95		8,359.95	144.01

Total remuneration drawn on account

NIL

Charge out rates -

Rates effective from	1st-Nov-2012	1st-Nov-2010
Partner/ Associate	£320-£530	£310-£510
Director / Manager	£155-£300	£150-£290
Administrator	£55-£155	£53-£150
Support staff	£30-£115	£30-£109

Time charged in 3 minute units or multiples thereof

Examples of work generally undertaken but not limited to

Statutory compliance, administration and planning

- Compliance with other regulatory requirements
- Statutory reporting and compliance
- Case planning
- Administrative set up
- Appointment notification
- Maintenance of records

Investigations

- SIP 2 review
- CDDA reports
- Investigating antecedent transactions

Realisation of assets

- Identifying, securing, insuring assets
- Retention of title
- Property, business and asset sales
- Debt collection
- Tax reclaims

Creditors

- Communication with creditors
- Creditors' claims (including employees and other preferential creditors)

Tax

- Corporation tax returns
- VAT returns
- Capital gains tax calculations

Case specific matters

- Pension issues

Breakdown of time costs and category 2 disbursements continued

First Light (London) Limited - In Creditors' Voluntary Liquidation

Summary of Moore Stephens' disbursements

	Undrawn costs brought forward from previous period(s) £	This period 23/02/2013 to 22/02/2014		Cumulative 23/02/2012 to 22/02/2014	
		Costs incurred £	Costs drawn £	Costs incurred £	Costs drawn £
Car mileage	6 85	-	-	6 85	6 85
Photocopying / printing	-	-	-	0 15	0 15
Storage	-	120 00	80 00	210 00	110 00
Total	6 85	120 00	80 00	217 00	117 00
Total undrawn costs to carry forward					100 00

Category 2 disbursement rates -

Type	Rate
Car mileage	£0 45 per mile maximum
Photocopying/printing	£0 15 per sheet
Colour photocopying	£2 50 per sheet
Fax	£0 40 per sheet
Storage - standard box	£3 90 per box per quarter (min £30 per quarter)
Room hire	£30-£50 per hour

Summary of accrued and drawn costs

First Light (London) Limited - In Creditors' Voluntary Liquidation

Cost Description	Undrawn costs brought forward from previous period(s) £	This period 23/02/2013 to 22/02/2014		Cumulative 23/02/2012 to 22/02/2014	
		Costs incurred £	Costs drawn £	Costs incurred £	Costs drawn £
Accountancy fees	-	-	-	265 00	265 00
Postage	32 39	-	-	32 39	32 39
Statutory advertising	-	156 00	156 00	382 50	382 50
Specific penalty bond	-	-	-	80 00	80 00
Land registry & company search fees	-	-	-	10 00	10 00
Storage costs	-	-	-	623 00	623 00
Total	32 39	156 00	156 00	1,392 89	1,392 89
Total undrawn costs to carry forward					-

Summary of professional services

Professional advisor	Nature of work	Fee arrangement
Metsons Limited	Accountancy	Fixed Fee