

The Insolvency Act 1986

Administrator's progress report

Name of Company
Londza Enterprises Limited

Company number
06592752

In the High Court of Justice <small>(full name of court)</small>
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Court case number
9673 of 2012

(a) Insert full
name(s) and
address(es) of
administrator(s)

I/We (a)
Martin C Armstrong FCCA FABRP FIPA MBA
Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey
SM1 4LA

James E Patchett FCCA FABRP
Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey
SM1 4LA

administrators of the above company attach a progress report for the period

(b) Insert date

From	To
4 th January 2013	3 rd July 2013

Signed


Joint Administrator

Dated

29th July 2013



turpin barker armstrong

Corporate Recovery and Insolvency

Allen House
1 Westmead Road
Sutton, Surrey SM1 4LA
Tel 020 8661 7878
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Internet www.turpinba.co.uk
Also at Sevenoaks

To all known creditors

Our Ref RAR/IR/MCA/XL120

29th July 2013

Dear Sirs

Londza Enterprises Limited t/as Doneagles Fish & Chips ("the Company") - In Administration

This is my report on the progress of the Administration of the Company for the period from 4th January 2013 to 3rd July 2013. My report to creditors follows, attached to Form 2 24B.

If creditors have any queries regarding this report or the conduct of the Administration in general, they should contact Ryan Russell on 020 8661 7878.

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 Administrator's 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 administrator's 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.

Yours faithfully

Martin C Armstrong FCCA FABRP FIPA MBA
Joint Administrator

Encs

We are pleased to support



M C Armstrong FCCA FABRP FIPA MBA, A W Payne FFA DipPFS PMA, D C Clark FCCA, J E Patchett FCCA FABRP
D A Payne BA (Hons) FCA B I Suckling BSc (Hons) FCCA
Consultant J S Penfold FCA

Registered as auditors in the United Kingdom by the Association of Chartered Certified Accountants

M C Armstrong and J E Patchett are licensed to act as Insolvency Practitioners in the United Kingdom by the Association of Chartered Certified Accountants

Also at The Old Town Jail, 14-18 London Road, Sevenoaks, Kent TN13 1AJ Tel 01732 450251



Londza Enterprises Limited
Joint Administrators' Progress Report to Creditors
For the six months ending 3rd July 2013

STATUTORY INFORMATION

Company name	Londza Enterprises Limited
Previous company name	N/A
Registered office	Allen House 1 Westmead Road Sutton Surrey SM1 4LA
Former registered office	31 Whitehorse Lane London SE25 6RD
Registered number	06592752
Date of incorporation	14 th May 2008
Trading address	Doneagles Fish & Chips 31 Whitehorse Lane London SE25 6RD
Principal trading activity	Fast food restaurant
Joint Administrators' names	Martin C Armstrong & James E Patchett
Joint Administrators' address	Allen House 1 Westmead Road Sutton Surrey SM1 4LA
Joint Administrators' date of appointment	4 th January 2013
Court name and reference	High Court of Justice 9673 of 2012
Appointment made by	The Director pursuant to Paragraph 22 of Schedule B1 of the Insolvency Act 1986
Joint Administrators' actions	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

JOINT ADMINISTRATORS' ACTIONS SINCE APPOINTMENT

As previously advised, I decided that it was not appropriate to continue the business of the company and that an immediate sale of the company's business and assets was the best way to achieve the objective of the administration. As a result, on 4th January 2013 I sold the company's business and assets to Nimet Agirbas and have continued to collect the deferred consideration. In addition, we have carried out our statutory investigation into the company's affairs and director's conduct and submitted our confidential report to the Secretary of State.



Finally, myself and my staff have spent time dealing with creditor correspondence, general administration and statutory tasks during the administration

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 4th January 2013 to 3rd July 2013 is attached

It should be noted that all figures stated in the Receipts and Payments Account are detailed net of VAT

Since 4th July 2013, the following payment has been received into the Administration

<u>Date</u>	<u>From</u>	<u>Payment</u>	<u>Nature of receipt</u>
16/07/2013	Nimet Agirbas	£1,000 00	Sale Consideration

ASSETS

Sale of business and assets

As previously reported, the company's assets were sold to a connected party, Nimet Agirbas, immediately following our appointment. It was agreed that the sale consideration of £45,000 be paid by way of £1,000 on completion (4th January 2013), be followed by a payment of £1,000 on 17th January 2013, 16 monthly payments of £2,500 (commencing 17th February 2013) and a final payment of £3,000 due on or before 17th June 2014.

Under the above terms, the sum of £14,500 should have been received as at 3rd July 2013. To 3rd July 2013, the purchaser had paid the sum of £11,000. A summary of the transaction is detailed below (in accordance with SIP 16)

Asset	Sale Price	Received to date
Leasehold Interest	£20,000	£4,888 89
Restaurant Fixtures & Equipment	£11,500	£2,811 11
Stock	£3,500	£855 57
Goodwill	£10,000	£2,444 43
Total	£45,000	£11,000 00

The assets were sold via a "pre-pack" sale whereby the sale was completed immediately after the administration commenced.

As detailed above, since 4th July 2013, a further payment of £1,000 has been received from the purchaser.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

The legislation requires that if the Company has created a floating charge after 15th 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 there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential Creditors

As anticipated, no preferential claims have been received

Crown Creditors

The statement of affairs included £89,264 owed to HMRC. Since my appointment, HMRC have submitted the following claims (totalling £126,790.36)

VAT	£94,550.46
PAYE/CT	£32,239.90

Non-preferential unsecured Creditors

The statement of affairs included 28 unsecured creditors with an estimated total liability of £680,636.77. I have received claims from 8 creditors at a total of £210,278.15

I have not received claims from 20 creditors with original estimated claims in the statement of affairs of £476,850.43. This is largely comprised alleged liabilities due to the director (£300,000) and his spouse (£38,000). I am not in possession of any information to confirm these amounts as being owed.

DIVIDEND PROSPECTS

Secured creditors

The company does not have any secured creditors.

Preferential creditors

The company does not have any preferential creditors.

Floating charge creditors

The company does not have any floating charge creditors.

Non-preferential unsecured creditors

Should the sale consideration be discharged in full, we anticipate a dividend to unsecured creditors. The Administration will shortly be converted to a Liquidation to facilitate any future distribution.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial 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 took the following action where I considered that further investigation was justified.

Crown Compliance

As HMRC were a substantial creditor in the administration, the company's Crown/banking records were reviewed. The company's Pre-CVA and Post-CVA compliance/payment history were also investigated and examined.

Within six months of my appointment as Administrator, I am 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 14th February 2013 the following pre-appointment costs were approved by creditors

Pre-appointment fees charged by the Joint Administrators	£11,778 50
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Pre-appointment expenses incurred by the Joint Administrators	
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Agent/Valuer Fees	£4,907 00
Legal Fees	£7,600 60

The above costs remain unpaid

JOINT ADMINISTRATORS' REMUNERATION

My remuneration was previously authorised at a meeting of creditors on 14th February 2013 to be drawn on a time cost basis. My time costs to 3rd July 2013 amount to £17,273 00, representing 67.8 of hours work at an average charge out rate of £254.76 per hour.

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

A schedule of my time costs incurred to 3rd July 2013 is attached.

A description of the routine work undertaken in the Administration to date is as follows:

1 Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS case management software
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

2 Cashiering

- Maintaining and managing the Administrator's cashbook and bank account
- Ensuring statutory lodgments and tax lodgment obligations are met

3 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS case management software
- Reviewing, and adjudicating on if necessary, proofs of debt received from creditors

4 Investigations

- Review and storage of books and records
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into suspicious transactions
- Review books and records to identify any transactions or actions an Administrator may take against a third party in order to recover funds for the benefit of creditors

5 Realisation of Assets

- Dealing with post-sale formalities
- Monitoring/processing payments for sale consideration

A copy of 'A Creditors Guide to Administrators' Fees' published by the Association of Business Recovery Professionals and 'A Statement of Insolvency Practice 9 (Revised)' together with an explanatory note which shows Turpin Barker Armstrong's fee policy are available at the link <http://www.turpinba.co.uk/services/insolvency/fees.htm> Please note that there are different versions for cases that commenced before or after 6th April 2010 and in this case you should refer to the post-April 2010 version. A hard copy of both documents can be obtained on request from this office.

Turpin Barker Armstrong's charge out rates were increased with effect from 1st April 2013. Details of the current/previous rates are detailed on Turpin Barker Armstrong's fee policy which can be found on the link above.

JOINT ADMINISTRATORS' EXPENSES

My expenses to 3rd July 2013 amount to £309.12 and comprise bordereau (£120.00), statutory advertising (£179.12) and a creditor report upload fee (£10.00).

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

The following agents or professional advisors have been utilised in this matter:

Pre-Appointment

<u>Professional Advisor</u>	<u>Nature of Work</u>	<u>Fee Arrangement</u>	<u>Amount</u>
James Owen & Co	Valuer/Auctioneer	Percentage of realisations + Disbursements	£4,907.00 (unpaid)
Charles Russell LLP	Solicitors	Time costs + Disbursements	£7,600.60 (unpaid)

NB James Owen & Co are a Member of the National Association of Valuers and Auctioneers

Valuation agents

Messrs James Owen & Co provided an independent professional valuation of the business and assets. In addition, they discretely marketed the business (via a newspaper advertisement, offering it to known business contacts and interested parties which are retained on our agents marketing lists) and provided advice on the offer from Nimet Agirbas.

Pre-Appointment Legal fees

Charles Russell LLP were instructed to prepare the relevant documents in order to place the company into administration in addition to the agreement for the pre-pack sale.

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.

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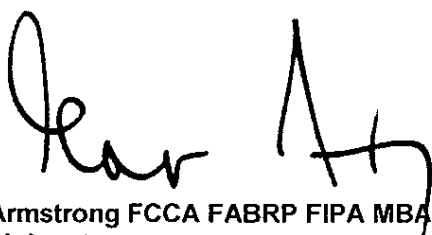


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SUMMARY

The Administration will now be converted to a Liquidation, as approved in the proposals.

Should you have any queries regarding this report, or the Administration in general, please contact Ryan Russell on 020 8661 7878.



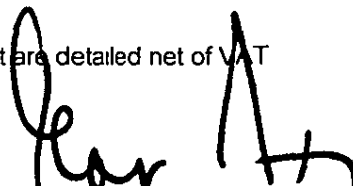
Martin C Armstrong FCCA FABRP FIPA MBA
Joint Administrator

Londza Enterprises Limited t/as 'Doneagles Fish & Chips'
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 03/07/2013

S of A £		£	£
	ASSET REALISATIONS		
20,000 00	Leasehold Interest	4,888 89	
11,500 00	Restaurant Fixtures & Equipment	2,811 11	
3,500 00	Stock	855 57	
10,000 00	Goodwill	2,444 43	
	Gross Bank Interest	7 65	
			11,007 65
	UNSECURED CREDITORS		
(65,617 00)	Trade & Expense Creditors	NIL	
(80,000 00)	Landlord (71 High Street, Croydon)	NIL	
(535,020 00)	Director/Investor Loans	NIL	
(89,264 00)	HM Revenue & Customs	NIL	
			NIL
	DISTRIBUTIONS		
(1,000 00)	Ordinary Shareholders	NIL	
			NIL
(725,901 00)			11,007.65
	REPRESENTED BY		
	Bank - Current a/c		11,007 65
			11,007.65

Note

It should be noted that all figures stated in the Receipts and Payments Account are detailed net of VAT


 Martin C Armstrong FCCA FABRP MIPA
 Joint Administrator

Time Entry - SIP9 Time & Cost Summary

XL0120 - Londza Enterprises Limited t/as 'Doneagles Fish & Chips'
Project Code POST
From 04/01/2013 To 03/07/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	2.60	0.30	11.60	0.00	14.50	3,639.50	251.00
Case Specific Matters	0.00	0.00	1.20	0.50	1.70	302.00	177.65
Creditors	3.90	0.00	19.90	0.30	23.10	5,947.50	253.14
Investigations	4.80	0.00	15.80	2.50	23.10	6,248.00	270.48
Marketing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Chargeable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	5.40	0.00	5.40	1,236.00	228.89
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	11.30	0.30	52.90	3.30	67.80	17,273.00	254.76
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	