

## The Insolvency Act 1986

## Statement of administrator's proposals

2.17B

Name of Company MHA Lighting Limited	Company number 07013646
In the High Court of Justice, Chancery Division, Manchester District Registry (full name of court)	Court case number 3225 of 2015

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

We (a) Sarah Helen Bell and Steven Muncaster  
Duff & Phelps Ltd  
The Chancery  
58 Spring Gardens  
Manchester, M2 1EW

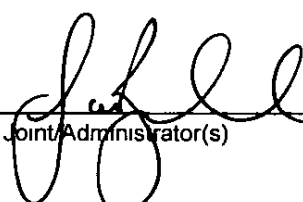
Attach a copy of ~~my~~ our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

\* Delete as appropriate

(b) Insert date

(b) 20 January 2016

Signed   
Joint Administrator(s)

Dated 20/01/2016

## Contact Details

You do not have to give any  
contact information in the box  
opposite but if you do, it will help  
Companies House to contact you  
if there is a query on the form  
The contact information that you  
give will be visible to searches of

Duff & Phelps Ltd  
The Chancery  
58 Spring Gardens  
Manchester, M2 1EW  
Tel +44 (0) 161 827 9000

Completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff



QIQ

22/01/2016  
COMPANIES HOUSE

#46

Form 2 17B.docx

FRIDAY



---

# Report to Creditors

20 January 2016

## **MHA Lighting Limited (In Administration)**

Joint Administrators' Report to Creditors and Statement of Proposals  
For the period from 1 December 2015 to 20 January 2016  
Pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986

**Duff & Phelps Ltd.  
The Chancery  
58 Spring Gardens  
Manchester  
M2 1EW**

---

## Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
AEG	Atherton Electronics Group Ltd, a connected company by virtue of the common directorships of David McMahon and Thomas Harrison
Aldermore	Aldermore Invoice Finance, with whom the Company had an invoice finance facility, and the holder of a fixed and floating charge over the Company's assets
the Agents	Winterhill Group, independent agents who were instructed to value and sell the assets of the Company
the Appointment Date	1 December 2015, being the date of appointment of the Joint Administrators
the Bank/ Natwest	National Westminster Bank Plc, with whom the Company banked
BLM	Business Lite Memo
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
Cerberus	Cerberus Receivables Management, independent debt collection agents engaged to recover the Company's assigned and non-assigned book debt ledgers
the Company	MHA Lighting Limited (In Administration) (Company Number 07013646)
CVL	Creditors Voluntary Liquidation
DBIS	The Department for Business, Innovation and Skills
the Directors	Paul Aston and Thomas Harrison, the directors of the Company
Duff & Phelps	Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW
EC Regulation	EC Regulation on Insolvency Proceedings 2000
the Group	The Company, MHA Holdings and MHA Intellect
HMRC	HM Revenue and Customs
IP	Intellectual Property
the Joint Administrators	Sarah Bell and Steven Muncaster of Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW
the Landlord	Chanters Holdings Limited
MHA Holdings	MHA Lighting (Holdings) Limited, ultimate parent company and the

	owner of the IP and IP agreement in place between MHA Holdings and the Company
NWF4EE	North West Fund for Energy and Environmental
MHA Intellect	MHA Integrated Electronic Services Limited, connected company, common director and shareholder Thomas Harrison
NOIA	Notice of Intention to Appoint Administrator
NDA	Non-Disclosure Agreement
the Premises	Units 1,2 and 3 Station House, Station Approach, Atherton, M46 9LJ, the lease agreements between the Landlord and MHA Intellect
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Purchaser	Waveguide Lighting Limited, the purchaser of the assets of the Company Registered company number 09914246 whose registered office is 15 Church Street, Stratford-upon-Avon, Warwickshire, CV37 6HB
Reporting Period	1 December 2015 to 20 January 2016
ROT	Retention of Title
RPS	Redundancy Payments Service
the Rules	The Insolvency Rules 1986 (as amended)
the Secured Creditors	Aldermore and David McMahon holders of fixed and floating charges over the Company's assets
Security Trustee	David McMahon former Director of the Company and holder of a fixed and floating charge over the Company's assets as Security Trustee on behalf of the Loan Note Holders
the Solicitors/Shoosmiths	Shoosmiths LLP, the Joint Administrators solicitors
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the acquisition of assets of insolvent companies by Directors
SOA	Statement of Affairs, documentation to be supplied by the Directors outlining the Company's financial position as at the Appointment Date
WIP	Work in Progress

## **Contents**

- 1 Introduction
- 2 Background
- 3 Events Leading up to the Administration
- 4 Purpose of the Administration
- 5 Progress of the Administration to date
- 6 Statement of Affairs
- 7 Statement of Pre-Administration Costs
- 8 Joint Administrators' Costs
- 9 Dividend Prospects / Prescribed Part
- 10 EC Regulation
- 11 Creditors' Meeting
- 12 End of the Administration
- 13 Joint Administrators' Proposals
- 14 Other Matters

## **Appendices**

- 1 Statutory Information
- 2 Joint Administrators' Receipts and Payments Account
- 3 Statement of Affairs
- 4 Analysis of Time Charged and Expenses Incurred
- 5 Fee Estimate
- 6 Estimated Expenses of the Administration
- 7 Fees Narrative
- 8 Form 2 21B Creditor's Request for a Meeting
- 9 Proof of Debt Form

**1. Introduction**

- 1 1 The Joint Administrators were appointed on the 1 December 2015 by the Directors of the Company pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986
- 1 2 The Court Reference is High Court of Justice, Chancery Division, Manchester District Registry , No 3225 of 2015
- 1 3 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators may be exercised by either of the Joint Administrators
- 1 4 This report sets out the circumstances leading up to the appointment of the Joint Administrators and the steps taken by them to date

**2. Background**

- 2 1 Statutory information on the Company and a summary of its financial history is included at Appendix 1
- 2 2 The Company was incorporated on 9 September 2009, specialising in the manufacture of unique LED lighting and initially as a subsidiary of MHA Intellect. The original name of the Company was MHA Luminanz Limited as it was formed to exploit technology developed by the founder of Luminanz, Morton Graham (now deceased). He had invented and patented a number of innovative methods of using LED light. Mr Graham had been working on this technology since the 1990's but had lacked a financial partner to commercialise the concept.
- 2 3 MHA Intellect identified the technology in early 2009 as Luminanz was a potential customer of its electronics design services. Realising the opportunity, a fifteen year exclusive licence for the UK and Australia (as well as a non-exclusive licence for the rest of the world) was negotiated for the Company.
- 2 4 The Company then began the process of developing both a product range and the market. The expertise of MHA Intellect was helpful in ensuring that quality design was available for new products and certain innovative techniques were incorporated into the design.
- 2 5 At the end of 2010, a restructuring of the group took place leading to both the Company and MHA Intellect becoming 100% owned subsidiaries of AEG. There were no changes to underlying shareholders as a result of these reorganisation measures.
- 2 6 As the Company continued to grow in size, and in recognition that it would want to raise funds in due course, the shares were transferred from AEG to a new holding company, MHA Holdings, which was formed and became the owner of the Company in August 2012.
- 2 7 All development funding to the end of 2012 ultimately came from the existing founding shareholders who had by that time invested £2.9m in the business including loans. The major shareholders then were Thomas Harrison, David McMahon and Anderson Whamond.
- 2 8 The Company operated from its trading address at Station House, Station Approach, Atherton, M46 9LJ.
- 2 9 The Company employed a total of 28 staff as at the Appointment Date.
- 2 10 NatWest provided banking facilities to the Company.

- 2 11 The Company obtained funding from an invoice discounting facility with Aldermore. The facility was secured by a debenture created on 30 October 2013 and registered on 2 November 2013, creating a fixed and floating charge over the assets of the Company.
- 2 12 The Company also obtained funding from the Security Trustee on behalf of the loan note holders. The Security Trustee obtained security by registering a fixed and floating charge over the assets of the Company on 12 September 2014.

### **3. Events Leading upto the Administration**

- 3 1 In recognition of the need for more funding, a search was undertaken for suitable investment partners. In March 2013, an investment agreement was concluded with the NWF4EE (represented by 350ip as manager of that portion of the North West Fund) and Harwell Capital, a Cayman Islands entity which invests on behalf of investors in many different international locations.
- 3 2 At that time David McMahon and Anderson Whamond converted all outstanding directors' loans to equity alongside the new investors. Fresh capital raised under the agreement amounted to £1.33m approximately before expenses, not including the directors' loans.
- 3 3 To facilitate the auditing of the combined group, the year end for the two companies MHA Intellect and the Company was realigned to 30 April from 2013 onwards resulting in a sixteen months accounting period for the subsidiary between 1 January 2012 and 30 April 2013.
- 3 4 It was, at this time recognised that further capital would probably need to be sought before the Group became self-financing. Towards the end of 2013 a further request was made to the shareholders. This raised c£475k, before expenses, and was provided to the Company in January 2014, all of this funding was supplied by the existing shareholders.
- 3 5 To further assist with the Company's working capital requirements, the Company entered into an invoice discounting facility agreement with Aldermore on 30 October 2013, which was secured by a fixed and floating charge over the assets of the Company. In addition, the invoice discounting agreement resulted in the assignment of all book debts.
- 3 6 During the year ended 30 April 2014, the Company made a loss after tax of £1,038,901 on a reported turnover of £1,865,011.
- 3 7 In July 2014, convertible secured loan notes were issued in the sum of £485k to the three major shareholders David McMahon, Anderson Whamond and NWF4EE. There was also a £15k equity investment at that time from a smaller shareholder. The terms of the loan notes allow for automatic conversion to equity in certain circumstances and were issued partly due to the lack of a fair reference price for equity at that time.
- 3 8 Towards the end of 2014, it became apparent that further funding would be needed to maintain the Group's position. Accordingly, a further tranche of convertible secured loan notes were issued in November 2014 raising £480k for the Company before expenses. It was recognised that further equity would need to be sought in 2015 if the Company was to be able to expand without excessive working capital strain.
- 3 9 On 25 March 2015, David McMahon formally resigned as managing director of the Company, and the decision was taken by the board that an external independent third party should be appointed as a director to assist with the ongoing requirements of the Company.
- 3 10 Paul Aston was approached and was appointed as director on a consultancy basis on 25 March 2015 in light of his expertise in this market area.



- 3 11 Directly following Paul Aston's appointment, a review of the leases for the Premises was completed and the Directors commenced discussions with the Landlord in relation to novating the leases to be in the name of the Company instead of MHA Intellect as it was the Company primarily in occupation
- 3 12 At this point, MHA Intellect was already in arrears for the rent and a rent free holiday period was agreed in order to allow the novation of leases to be completed and for the Company to obtain further funding. Following this period, the Company made the agreed rental payments to the Landlord in relation to the Premises
- 3 13 The Company obtained additional funding to assist with the ongoing working capital requirements of the Company creating £1,000,000 fixed rate loan notes secured by virtue of a debenture dated 14 August 2015, whereby David McMahon is appointed as the Security Trustee
- 3 14 The discussions with the Landlord continued throughout September and October 2015, and in early November 2015, the Landlord instructed bailiffs to attend the Premises in relation to outstanding rent
- 3 15 The Company experienced cash flow difficulties in early November 2015, and were put on pro-forma basis with a number of suppliers due to non-payment
- 3 16 The Directors sought professional advice on behalf of the Company from Duff & Phelps and concluded that the only way for the business to survive in the long term would be through a sale to a purchaser with a strong balance sheet and with sufficient cash reserves to fund working capital. Otherwise, it was considered that the business would struggle to meet its customer requirements and have a detrimental impact on the business
- 3 17 Duff & Phelps were engaged by the Company to conduct a marketing exercise to seek a sale of the business and/or the Company's assets. Due to the financial position of the business the engagement included contingency restructuring and insolvency planning
- 3 18 Following a meeting with the Directors on 19 November 2015, at which a specifically targeted list of interested parties was agreed, a BLM was circulated on 23 November 2015. The Directors filed a NOIA, which proposed Sarah Bell and Steven Muncaster of Duff and Phelps as Joint Administrators on 23 November 2015, in order to obtain a statutory moratorium. Whilst the marketing exercise was being undertaken, management were concerned that the Company may be at risk of an enforcement action and the NOIA provided legal protection during this period of uncertainty
- 3 19 The BLM was circulated to over 700 parties included on Duff & Phelps' interested parties' database. The database includes various contacts within the manufacturing and engineering industry and also includes corporate financiers, entrepreneurs, lawyers, business advisors and business financiers. Initial expressions of interest were sought by 30 November 2015
- 3 20 In addition, the BLM was circulated to four parties who had approached the Directors and expressed an interest in investment or the purchase of the business or assets. The Directors also provided details of five other targets of interest and the BLM was sent to them
- 3 21 A total of 17 interested parties expressed an interest in the Company by returning a signed NDA. Upon receipt of the agreements these parties were given access to the Duff & Phelps online data room containing details of the Company's assets and financial position
- 3 22 Several of the interested parties requested additional information and the initial deadline for offers of 30 November 2015 was informally extended, with interested parties requested to finalise offers at the earliest opportunity. Four interested parties submitted offers for the certain assets of the Company, unfortunately no offers to purchase the business as a going concern were received

3 23 The Directors reviewed the Company's current financial position, and as there were no further projects for the employees to complete and no more stock ordered, the Directors resolved that the Company was to be placed into Administration

3 24 A sale had not been agreed by the Appointment Date. The Joint Administrators considered the position prior to accepting the appointment and having regard to the Insolvency Practitioners Association's ethical guidelines, considered that there were no circumstances preventing them from accepting the appointment. Subsequently the Joint Administrators were appointed on the Appointment Date.

#### **4. Purpose of the Administration**

4 1 The purpose of an Administration is to achieve one of the following hierarchical objectives:

- Rescuing the Company as a going concern, or
- Achieving 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), or
- Realising property in order to make a distribution to one or more secured or preferential creditors

4 2 In accordance with Paragraph 49(2) of Schedule B1 to the Act the Joint Administrators note the following:

- The first objective will not be achieved as there are insufficient funds and assets available to enable the Company to be rescued as a going concern
- The second objective may not be achievable as there is no evidence to suggest that there will be funds available to enable a distribution to the non-preferential creditors other than via a potential Prescribed Part distribution
- It is likely that book debt collections will be enhanced by the Joint Administrators retaining certain employees for a short period of time
- The third objective has been achieved as Aldermore has been repaid in full and a potential dividend will be paid to the Security Trustee and preferential creditors

4 3 The Joint Administrators' proposals for achieving the purpose of the Administration are set out in the remainder of this report.

#### **5. Progress of the Administration to Date**

5 1 The manner in which the affairs and business of the Company have been managed, since the appointment of Joint Administrators and will continue to be managed and financed are set out below.

##### **Decision not to trade**

5 2 Following an evaluation of the business, the Joint Administrators took the decision not to trade the business for the following reasons:

- The business had effectively ceased to trade as the Company had insufficient working capital to pay suppliers to release goods and pay deposits to suppliers for the continued supply of goods.

- No funds were available to meet the ongoing business overheads and the costs associated with continuing to trade,
- The Company had insufficient orders to complete as at the Appointment Date and there was no evidence to suggest that trading would yield any surplus for the benefit of creditors, and
- Due to the nature of the Company's product it was highly unlikely that customers would buy from the Company whilst in Administration i.e. without any warranties provided

### **Employees**

- 5 3 In light of the decision not to trade the business in Administration, the Joint Administrators attended the Company's trading premises on the Appointment Date to address all of the Company's employees and take control of the Company's assets
- 5 4 On appointment, all of the 28 employees were made redundant with immediate effect at a meeting held at the Company's trading premises
- 5 5 In order to assist with book debt collections, assist with stock allocation for potential ROT claims, collating the Company's records and employment requirements, four members of staff were initially retained to assist the Joint Administrators
- 5 6 The sum of £5,322 has been paid as an expense of the Administration to the retained employees in respect of wages from the Appointment Date until 21 December 2015

### **Sale of Assets**

- 5 7 Prior to the Appointment Date, the Joint Administrators conducted a marketing process with the objective of trying to secure a sale of the business and assets as a going concern. As previously reported, a BLM was issued by the Joint Administrators through their internal marketing database which includes known corporate financiers, professional funders and industry specific potential interested parties
- 5 8 As discussed previously, unfortunately despite various parties expressing an interest in the assets of the Company, a sale of the business as a going concern could not be achieved
- 5 9 Following their appointment the Joint Administrators continued to market the business and assets for sale. Further interested parties submitted signed NDA's and access to the online data room was provided
- 5 10 As the IP is owned by MHA Holdings, on 1 December 2015, the directors of MHA Holdings prepared a list of further questions in relation to the intentions of the interested parties' for the future requirements of the IP. These were circulated to the interested parties for the formal responses to be provided
- 5 11 A subsequent deadline for responses and best and final offers was set to be received by 10am on 7 December 2015
- 5 12 All of the four interested parties submitted their final formal offers and negotiations took place between the interested parties and the Joint Administrators with assistance and advice being provided by the Solicitors and the Agents
- 5 13 Following a period of negotiations and a review of all offers received, on 8 December 2015 a final offer was received from the Purchaser for the sum of £85,000 plus VAT. The offer was apportioned as detailed overleaf

Asset	Consideration
Plant & Machinery	£ 25,000
Office Furniture & Equipment	£ 2,250
Motor Vehicles	£ 3,500
Stock & WIP	£ 54,250
<b>Total</b>	<b>£ 85,000</b>

5 14 The Agents recommended that the offer be accepted. The Joint Administrators instructed the Solicitors to prepare a sale and purchase agreement for the stock, WIP and certain chattel assets. The Sale completed on 21 December 2015.

5 15 The Purchaser is an unconnected third party to both the Company and the Directors.

5 16 The above sale was subject to VAT totalling £17,000. The full consideration of £85,000 plus VAT was paid on completion.

5 17 The Joint Administrators and their Agents are satisfied that the sale to the Purchaser was the best price achievable for the Company's assets.

#### **Assigned Book Debts**

5 18 According to the Company's books and records the outstanding debts of the Company totalled £173,599 as at the Appointment Date. These debts were assigned to Aldermore under an invoice discounting agreement created on 30 October 2013.

5 19 The principal amount owing to Aldermore under the invoice discounting agreement as at the Appointment Date was circa £61,911, subject to accruing interest, termination fees and charges.

5 20 Immediately following appointment Aldermore instructed Cerberus to assist with the collection of the book debts.

5 21 As at the date of this report, the sum of £96,131 has been realised from the book debt collections. This sum has been remitted directly to Aldermore and is therefore, not reflected in the Receipts and Payment Account at Appendix 2.

5 22 Based on current information it is estimated that Aldermore has been repaid its principal indebtedness and a surplus of c£34,220 is being held. We have been advised that Aldermore's final termination charges are £9,291 and management fees of £3,958 inclusive of VAT, however these are yet to be applied to the account. The VAT incurred on these fees and charges will be reclaimed by the Joint Administrators.

5 23 Once Aldermore have applied the final charges as detailed above, the remaining debtor ledger and surplus funds held will be re-assigned to the Company.

#### **Non-Assigned Book Debts**

5 24 In addition, the Company's books and records also indicated outstanding debts totalling £37,478 due to the Company that were not assigned to Aldermore.

- 5 25 Cerberus has also been engaged to assist with the collection of this ledger. The sum of £1,005 has been realised in the Reporting Period and reflected on the Receipts and Payments Account at Appendix 2.
- 5 26 In order not to compromise the potential collectability of the book debt ledger, no further information can be provided in respect of the future realisations at this time.
- 5 27 The Joint Administrators will monitor the progress of collections and provide an update on book debt collections in their next report to creditors.

#### **Cash at Bank**

- 5 28 As at the Appointment Date, the Company had cash at bank of £11,396 which was held in the Company's pre-appointment bank account with NatWest. NatWest subsequently confirmed that a balance was due to them in relation to an outstanding liability on the Company credit card facility. Under the terms of the facility, NatWest has the ability to apply set off, and the sum of £3,201 was retained and utilised to discharge this liability. Therefore, the balance of £8,195 has been transferred into the Administration estate account.
- 5 29 No further realisations are anticipated in respect of cash at bank.

#### **Stock & WIP**

- 5 30 Prior to the sale of certain assets to the Purchaser being completed, an associated company, MHA Intellect made an offer to purchase certain items of stock for the sum of £4,131 plus VAT.
- 5 31 The Agents advised that the offer represented fair market value and recommended that the offer be accepted.
- 5 32 The sum of £4,131 was received in full upon acceptance of the offer on 3 December 2015.
- 5 33 The Company and MHA Intellect are connected by virtue of common directorship.
- 5 34 In accordance with SIP 13, a summary of the transaction has been provided below.

**The Purchaser** MHA Integrated Electronic Services Ltd

**Date of Transaction** 3 December 2015

**Associated Parties** The Company and MHA Intellect are connected by virtue of common directorship of the following director  
  
Thomas Harrison

- 5 35 The Joint Administrators and the Agents are satisfied that the sale to MHA Intellect was the best price achievable for these items of stock.

#### **Retention of Title**

- 5 36 Since the date of appointment, five creditors have made claims under ROT in relation to goods that were supplied prior to the Appointment Date.
- 5 37 The details of the ROT claims have been provided to the Purchaser, as the Purchaser has agreed to indemnify the Joint Administrators. Therefore, in accordance with the sale and purchase agreement, the Purchaser has taken responsibility of dealing with the outstanding ROT claims.

### **Bank Interest**

- 5 38 Gross bank interest generated from balances held in the Administration account to date total £1

### **Investigations**

- 5 39 The Joint Administrators' investigations into the Company's affairs are currently ongoing
- 5 40 The Joint Administrators have a statutory obligation to file a report with DBIS regarding the conduct of the Directors that held office in the three years prior to the Administration. This report must be filed within six months from the Appointment Date and the content of this report is confidential
- 5 41 The Joint Administrators also have a duty to investigate antecedent transactions which include
- Transactions at an undervalue, Section 238 of the Act,
  - Preferences, Section 239 of the Act, and
  - Transactions to defraud creditors, Section 423 of the Act

### **Joint Administrators' Receipts and Payments Account**

- 5 42 A Receipts and Payments Account is provided at Appendix 2 and is self-explanatory
- 5 43 The Receipts and Payments Account excludes the collection of the assigned pre-appointment book debts as these are subject to an invoice discounting agreement and are therefore, not an asset of the Company

## **6. Statement of Affairs**

- 6 1 In accordance with Paragraph 47 of Schedule B1 to the Act the Joint Administrators have requested and received a SOA from the Directors
- 6 2 The Directors submitted the SOA within the Reporting Period and this has been filed with the Registrar of Companies, a copy is included at Appendix 3
- 6 3 Some creditor amounts shown may differ from the actual amount owed. This does not affect their claim

## **7. Statement of Pre-Administration Costs**

- 7 1 Pre-Administration costs are defined in the Rules as fees, charges and expenses incurred by the Administrators or their firm, or another person qualified to act as an Insolvency Practitioner, before the company entered Administration but with a view to its doing so
- 7 2 Duff & Phelps' pre-Administration time costs total £21,267 representing 77 hours with an average charge out rate of £275
- 7 3 Of these time costs, £11,001 was incurred in respect of Sale of Business. This time was spent by the Joint Administrators and their staff conducting the extensive marketing exercise, liaising with interested parties and Duff & Phelps holding numerous meetings with the directors of MHA Holdings to discuss interest received
- 7 4 Time costs totalling £3,825 have been incurred in respect of Strategy Planning and Control. This time was spent by the Joint Administrators and their staff in initial meetings and discussions with

the Directors regarding the financial position of the Company, discussions of other insolvency options being provided and preparing a strategy for the appointment

- 7 5 The Joint Administrators also assisted the Directors with all matters required to place the Company into Administration. These costs are included under the heading Dealing with the Notice of Intention to Appoint and amount to £2,190
- 7 6 The balance of time costs were incurred by the Joint Administrators and their staff in speaking with the Directors and staff on operational issues prior to the Joint Administrators' appointment
- 7 7 A detailed analysis of the pre-Appointment of the time costs is provided at Appendix 4
- 7 8 The Joint Administrators have also incurred the following costs prior to their Appointment

<b>Firm</b>	<b>Brief Description of Services Provided</b>	<b>Amount</b>	
Duff & Phelps	See above	£	21,267 plus disbursements of 7 80
Shoosmiths	Assistance in placing the Company into Administration, guidance on other ad hoc legal matters	£	2,750 plus disbursements of 66 30
Ansarada	Data room provider – Provide an online data room for the purpose of delivering details in relation to the sale process to interested parties quickly, cost effectively and securely	£	500
<b>Total</b>		<b>£</b>	<b>24,517 plus disbursements of 74.10</b>

- 7 9 The above figures are exclusive of VAT, which will also be charged on all fees
- 7 10 The Joint Administrators confirm that payment of the unpaid pre-Administration costs, as an expense of the Administration, is subject to approval under Rule 2 67A of the Rules, and not part of the proposals subject to approval under Paragraph 53 of Schedule B1 of the Act

## **8. Joint Administrators' Costs**

### **Estimated Fees and Expenses**

- 8 1 It is proposed that the Joint Administrators' fee basis is based on time costs
- 8 2 The time costs already charged since appointment are analysed at Appendix 4. Time is charged in six minute units
- 8 3 The amount expected to be drawn in fees over the life of the case by the Administrators is shown in Appendix 5 – Fee Estimate. The total amount indicated effectively acts as a cap on the level of fees to be drawn by the Administrators
- 8 4 The Joint Administrators estimate the expenses of the Administration to total circa £31,679 (as shown in Appendix 6 Estimated Expense of the Administration Schedule). This Schedule illustrates the estimated expenses for the whole of the Administration and is for information purposes only. No approval is required by creditors. This estimate may change over the course of

the Administration but creditors will be informed of any variations with associated reasons in future progress reports

- 8 5 Also attached at Appendix 7 is the Fees Narrative, a summary of key issues, to assist creditors in understanding the strategy of the Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors, if any, are in the body of this report
- 8 6 Information regarding the fees and disbursements of administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at <http://www.duffandphelps.com/uk-restructuring/creditor-guides>. Should you require a copy, please contact this office

## **9. Dividend Prospects / Prescribed Part**

### **Secured Creditors**

#### **Aldermore**

- 9 1 In consideration for the monies advanced under the Company's invoice discounting agreement the Company granted Aldermore a debenture dated 30 October 2013, which confers fixed and floating charges over all of the assets of the Company. In addition, an invoice discounting agreement results in the assignment of all book debts
- 9 2 As at the Appointment Date, the Company's indebtedness to Aldermore was circa £61,911, subject to accruing interest, charges and costs. As discussed at paragraph 5.21, book debt collections to date total £96,131
- 9 3 Based on current indications, it appears Aldermore has been repaid its principal indebtedness, and the Joint Administrators have received confirmation from Aldermore that final termination fees are £9,291 and management fees are £3,958, both inclusive of VAT. The Joint Administrators will also submit returns to reclaim the VAT incurred

#### **Security Trustee – on behalf of the loan note holders**

- 9 4 In consideration for monies advanced by the Loan Note Holders, the Company granted the Security Trustee debentures dated 9 September 2014 and 14 August 2015 which confers fixed and floating charges over the assets of the Company
- 9 5 As at the Appointment Date, the Company's indebtedness to the Loan Note Holders was approximately £3,963,000
- 9 6 At this stage it is anticipated that there will be insufficient realisations to repay the Loan Note Holders in full

### **Preferential Creditors**

- 9 7 The only known preferential creditors are the former employees who have claims for holiday pay arrears. Preferential claims are subject to a maximum limit set by the insolvency legislation
- 9 8 Pursuant to the SOA, the estimated preferential claims are £11,461



- 9 9 Although the Joint Administrators are yet to receive notification of the preferential creditors' claims, at this stage, it is anticipated that there will be sufficient funds available to enable a distribution to preferential creditors
- 9 10 It is likely that a significant element of the preferential claim will be employees' claims which are mostly subrogated to the Secretary of State, following payment by the RPS

#### **Prescribed Part**

- 9 11 The Prescribed Part is calculated as a percentage of net property, as follows -

Net property less than £10,000	50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential creditors would be disproportionate to the benefits
Net property greater than £10,000	50% up to £10,000 plus 20% thereafter to a maximum of £600,000

- 9 12 The Company granted a floating charge to Aldermore on 30 October 2013. In addition the Company also granted floating charges to the Security Trustee on 9 September 2014 and 14 August 2015 and therefore, the Prescribed Part provisions will apply. The net property of the Company, according to the Statement of Affairs is £18,973 and it is estimated that the Prescribed Part of the net property for non-preferential creditors is approximately £6,795. This does not take into account the costs of the Administration which will significantly reduce the amount of the Company's net property and any Prescribed Part.
- 9 13 The Joint Administrators will be able to advise further on the potential Prescribed Part distribution in the next report.

#### **Non-Preferential Creditors**

- 9 14 According to the Directors' SOA, non-preferential creditors total £629,156. The non-preferential creditors can be summarised as follows:

<b>Creditor</b>	<b>Claim</b>	
Trade & Expense Creditors	£	228,131
HM Revenue & Customs	£	31,724
MHA Lighting (Holdings) Ltd	£	369,149
MHA Integrated Electronic Services Ltd	£	152
<b>Total</b>	<b>£</b>	<b>629,156</b>

- 9 15 Based upon the current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential creditors of the Company, other than from the Prescribed Part, if any.
- 9 16 If not already done so creditors of the Company should complete the proof of debt form at Appendix 9 and return the same to the Joint Administrators.
- 9 17 The Joint Administrators will be able to advise further on the potential distributions to all classes of creditor in the next report.

## **10 EC Regulation**

- 10 1 It is the Joint Administrators' opinion that the EC Regulation applies and these proceedings are main proceedings as defined in Article 3 of the EC Regulation. The centre of main interest of the Company is in England.

## **11. Creditors' Meeting**

- 11 1 In accordance with Paragraph 52(1) of Schedule B1 to the Act, a creditors' meeting will not be convened as the Joint Administrators believe that the Company will have insufficient property to enable a distribution to be made to non-preferential creditors, other than via the Prescribed Part (if any).
- 11 2 However, the Joint Administrators shall summon an initial creditors' meeting, if requested to by the creditors of the Company, whose debts amount to at least 10% of the total debts of the Company, using the prescribed form 2 21B, attached at Appendix 8, within 8 business days from the day these proposals are sent out.
- 11 3 Creditors are reminded that the costs of any meeting called shall be paid for by them and that a deposit will be required for this purpose. These costs may be ordered to be paid as an expense of the Administration if the meeting so resolves.

## **12. End of the Administration**

- 12 1 The options available to the Joint Administrators for the exit from the Administration are as follows:
- Compulsory Liquidation
  - Creditors' Voluntary Liquidation
  - Company Voluntary Arrangement
  - Return of control to the Director(s)
  - Dissolution of Company
- 12 2 From 26 May 2015, under the Small Business and Enterprise and Employment Act 2015, the Joint Administrators have the power to distribute Prescribed Part funds to creditors, without Court agreement.
- 12 3 The Joint Administrators recommend that the Company should be dissolved, for the reasons set out below.
- 12 4 In the event that the Joint Administrators form the view that a distribution can be made to the non-preferential creditors other than via the Prescribed Part distribution, then the Joint Administrators recommend that the Company be moved into CVL.
- 12 5 It is proposed that the Joint Administrators, currently Sarah Bell and Steven Muncaster of Duff & Phelps be appointed as Joint Liquidators should it be placed into CVL.
- 12 6 In the event that there are insufficient realisations to permit a distribution to non-preferential creditors, then the Joint Administrations recommend that the Company be dissolved. In this event, it is proposed once all outstanding matters have been satisfactorily completed by the Joint Administrators, they will give notice to the Registrar of Companies under Paragraph 84 of Schedule B1 to the Act to the effect that the Company has no remaining property to realise which might permit a (further) distribution to its non-preferential creditors, at which stage the Administration will cease. The Company will be dissolved three months following the registration of the notice at the Registrar of Companies.

- 12 7 You will note from the proposals section below that the Joint Administrators have left the choice of exit route from Administration open so that an alternative strategy can be adopted, should this prove more appropriate at the time

### **13 Joint Administrators' Proposals**

- 13 1 The Joint Administrators propose the following

- 13 1 1 That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect
- 13 1 2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration
- 13 1 3 That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration will cease
- 13 1 4 That the Joint Administrators, where they consider that there are funds available to be distributed to the unsecured creditors (other than under the Prescribed Part) take the necessary steps to put the Company into either CVL or into compulsory liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Sarah Bell and Steven Muncaster of Duff & Phelps would act as Joint Liquidators should the Company be placed into CVL. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 2.117A of the Rules creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them
- 13 1 5 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing
- 13 1 6 That the Joint Administrators' remuneration, where no Creditors' Committee is established, be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration
- 13 1 7 That the Joint Administrators' Fee Estimate in the total sum of £93,571 between 1 December 2015 and 30 November 2016 is approved
- 13 1 8 That the Joint Administrators, where a Creditors' Committee is not established be authorised to draw their company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements")

- 13 2 Pursuant to Rule 2.33(5) of the Rules, the proposals in paragraphs 13.1.1 to 13.1.4 above shall be deemed to be approved by the creditors on the expiry of the period in which a meeting can be requisitioned by creditors in the manner described in paragraph 11.2 above, provided that no meeting has been so requisitioned

**13 3 The Joint Administrators will be seeking the following specific resolutions from the Secured Creditors and preferential creditors**

- 13 3 1 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing
- 13 3 2 That the Joint Administrators' remuneration, where no Creditors' Committee is established, be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration
- 13 3 3 That the Joint Administrators' Fee Estimate in the total sum of £93,571 is approved
- 13 3 4 That the unpaid pre-Administration costs totalling £24,517 and disbursements totalling £74 10 plus VAT as detailed in the Joint Administrators statement of pre-Administration costs are approved for payment as an expense of the Administration as detailed below

Company	Fees Incurred	Disbursements Incurred
Duff & Phelps	£21,267 plus VAT	£7 80
Shoosmiths LLP	£2,750 plus VAT	£66 30
Ansarada	£500 plus VAT	£0

- 13 3 5 That the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements")

**14. Other Matters**

- 14 1 If any creditor has any information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, then they would be pleased to hear from them
- 14 2 As detailed earlier in the report the Joint Administrators expect to be able to advise with greater clarity on dividend prospects for all classes of creditor in our next report. If you require further information or assistance, please do not hesitate to contact Heather Barnes at this office

  
**Sarah Bell**  
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Sarah Bell and Steven Muncaster, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

## **Appendix 1**

### **Statutory Information**

**Statutory Information**

<b>Date of Incorporation</b>	9 September 2009
<b>Registered Number</b>	07013646
<b>Company Directors</b>	Mr Paul Aston Mr Thomas Harrison
<b>Company Secretary</b>	Mr Thomas Harrison
<b>Shareholders</b>	MHA Lighting Holdings Limited – 8,803,248 Ordinary Shares (100% shareholder)
<b>Trading Address</b>	Station House, Station Approach Atherton M46 9LJ
<b>Registered Office</b>	<b>Current:</b> The Chancery 58 Spring Gardens Manchester M2 1EW  <b>Former</b> Station House, Station Approach Atherton M46 9LJ
<b>Previous Names</b>	MHA Luminanz Limited (Date of Change 29/10/2009)
<b>Any Other Trading Names</b>	None

## Financial Information

### Balance Sheet

		For the Year Ended 30 April 2015 (Unaudited)		For the Year Ended 30 April 2014 (Unaudited)
<b>Fixed Assets</b>	£	<b>109,161</b>	£	<b>150,075</b>
<b>Current Assets</b>				
Stock	£	453,905	£	429,350
Debtors	£	430,625	£	407,103
Cash at Bank and in Hand	£	89,822	£	41,913
	£	<b>974,352</b>	£	<b>878,366</b>
<b>Current Liabilities</b>				
Trade Creditors	£	(354,799)	£	(319,832)
Amounts owed to group undertakings	£	(486)	£	(6,079)
Taxation and Social Security	3	(69,290)	3	(25,067)
Other Creditors	£	(254,062)	£	(170,554)
	£	<b>(678,637)</b>	£	<b>(521,532)</b>
<b>Net Current Assets</b>	£	<b>295,715</b>	£	<b>356,834</b>
<b>Total Assets less Current Liabilities</b>	£	<b>404,876</b>	£	<b>506,909</b>
<b>Capital and Reserves</b>				
Called up Share Capital	£	88,032	£	69,032
Share premium	£	5,220,100	£	4,289,100
Profit and Loss Account	£	(4,903,256)	£	(3,851,223)
	£	<b>404,876</b>	£	<b>506,909</b>

## Profit and Loss

	For the Year Ended 30 April 2015 (Unaudited)	For the Year Ended 30 April 2014 (Unaudited)
<b>Turnover</b>	£ 1,812,065	£ 1,865,011
Costs of Sales	£ (1,534,130)	£ (1,442,849)
<b>Gross Profit</b>	£ 277,935	£ 422,162
Distribution Costs	£ (29,002)	£ (40,853)
Administrative Expenses	£ (1,354,154)	£ (1,446,898)
Other Operating Income	£ 4,052	£ 4,045
<b>Operating Loss</b>	£ (1,101,169)	£ (1,061,544)
Interest payable and similar charges	£ (4,291)	£ (2,732)
<b>Loss on ordinary activities before Taxation</b>	£ (1,105,460)	£ (1,064,276)
Tax on loss on ordinary activities	£ 53,427	£ 25,375
<b>Loss for the financial year</b>	£ (1,052,033)	£ (1,038,901)



## **Appendix 2**

### **Joint Administrators' Receipts and Payments Account**

**MHA Lighting Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**  
**To 20/01/2016**

<b>S of A £</b>		<b>£</b>	<b>£</b>
	<b>SECURED ASSETS</b>		
Uncertain	Book Debts - Assigned	NIL	NIL
	<b>SECURED CREDITORS</b>		
(61,911.00)	Aldermore Invoice Finance	NIL	NIL
	<b>ASSET REALISATIONS</b>		
25,000.00	Plant & Machinery	25,000.00	
2,250.00	Office Equipment & Fixtures	2,250.00	
3,500.00	Motor Vehicles	3,500.00	
50,000 00	Stock & WIP	58,381 36	
Uncertain	Book Debts - Non Assigned	1,005.26	
11,396 00	Cash at Bank	8,195 00	
199.00	Petty Cash	NIL	
	Bank Interest Gross	1 30	
			98,332.92
	<b>COST OF REALISATIONS</b>		
	Re-Direction of Mail	160 00	
	Insurance of Assets	1,044 13	
	Wages & Salaries	5,321 98	
	IT Costs	1,368.00	
			(7,894.11)
	<b>PREFERENTIAL CREDITORS</b>		
(11,461.00)	Employee Holiday Pay	NIL	NIL
	<b>FLOATING CHARGE CREDITORS</b>		
(3,963,000.00)	David McMahon (loan note holders)	NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(288,131.00)	Trade & Expense Creditors	NIL	
(31,724 00)	HMRC - PAYE & NIC	NIL	
(369,149.00)	MHA Lighting Holdings Ltd	NIL	
(152 00)	MHA Integrated Electronic Services Lt	NIL	
			NIL
	<b>DISTRIBUTIONS</b>		
(88,032.00)	Ordinary Shareholders	NIL	NIL
<b>(4,721,215.00)</b>			<b>90,438.81</b>
	<b>REPRESENTED BY</b>		
	Floating/main current account		108,265.08
	VAT payable		(17,826 27)
			<b>90,438.81</b>

**Appendix 3**

**Statement of Affairs**

**The Insolvency Act 1986****Notice of statement of affairs****2.16B**

Name of Company MHA Lighting Limited	Company number 07013646
In the High Court of Justice, Chancery Division, Manchester District Registry (full name of court)	For court use only 3225 of 2015

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

~~I/We~~ (a) Sarah Bell and Steven Muncaster  
Duff & Phelps Ltd  
The Chancery  
58 Spring Gardens  
Manchester, M2 1EW

attach a copy of -

\*delete as applicable

- \* the statement(s) of affairs,
- \* ~~the statement(s) of concurrence,~~
- \* ~~a copy of the court order limiting disclosure in respect of the statement of affairs~~

in respect of the administration of the above company

Signed

Joint Administrator

Dated

*S. Bell*  
*06/01/2016*

**Contact Details**

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

Duff & Phelps Ltd  
The Chancery  
58 Spring Gardens  
Manchester, M2 1EW

Tel +44 (0) 161 827 9000

When you have completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

**Statement of affairs**

Name of company MHA Lighting Limited	Company Number 07013646
In the High Court of Justice, Chancery Division, Manchester District Registry (full name of court)	Court Case Number 3225 of 2015

(a) Insert name and address  
of registered office of the  
company

Statement as to the affairs of (a) MHA Lighting Limited  
Station House Station Approach Atherton M46 9LJ

(b) Insert date

On the (b) 01 December 2015, the date that the Company entered Administration

**Statement of Truth**

I believe that the facts stated in this Statement of Affairs are a full, true  
and complete statement of the affairs of the above named Company as  
at (b)

Full name

Paul Aston

Signed



Dated

18th December 2015

**INSOLVENCY ACT 1986****DIRECTORS STATEMENT OF AFFAIRS****A - Summary of Assets**

<b>Assets</b>		<b>Book Value £</b>	<b>Estimated to realise £</b>
	<b>Notes</b>		
<b>Assets subject to fixed charge:</b>			
Book debts		173,599	Uncertain
Less			
Aldermore Invoice Finance			(61,911)
( Advision of Aldermore Bank PLC )			
1st Floor Block B Western House Lynch Wood Peterborough			
			(61,911)
<b>Assets subject to a floating charge:</b>			
Plant and Machinery		71,943	25,000
Office Equipment and Fixtures		14,635	2,250
Motor Vehicle		1	3,500
Stock		505,047	50,000
Book Debts		37,478	Uncertain
Cash at Bank		11,396	11,396
Petty Cash		199	199
			92,345
<b>Uncharged assets:</b>			
			0
<b>Estimated total assets available for preferential creditors</b>		<b>£</b>	<b>30,434</b>

Signature



Date

18th December 2015

**INSOLVENCY ACT 1986****DIRECTORS STATEMENT OF AFFAIRS****A1 -Summary of liabilities**

		<b>Estimated to realise</b>
<b>Estimated total assets available for preferential creditors (carried from page A)</b>	<b>£</b>	<b>30,434</b>
<b>Liabilities</b>		
Preferential creditors		
Employees Holiday Pay	(11,461)	
<b>Estimated deficiency/surplus as regards preferential creditors:</b>	<b>£</b>	<b>18,973</b>
Estimated prescribed part of net property where applicable (to carry forward)	<b>£</b> 6,795	6,795
<b>Estimated total assets available for floating charge holders</b>	<b>£</b>	<b>12,178</b>
Debts secured by floating charges	<b>£</b>	
David McMahon on behalf of Loan Note Holders	(3,963,000)	(3,963,000)
<b>Estimated deficiency/surplus of assets after floating charges</b>	<b>£</b>	<b>(3,950,822)</b>
Estimated prescribed part of net property where applicable (brought down)	6,795	6,795
<b>Total assets available to unsecured creditors</b>	<b>£</b>	<b>(3,944,027)</b>
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade and Expense Creditors	288,131	
HMRC PAYE and NIC contributions	31,724	
MHA Lighting Holdings Limited	369,149	
MHA Integrated Electronic Services Ltd	152	
		689,156
<b>Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)</b>	<b>£</b>	<b>(4,633,183)</b>
Shortfall to floating charge holders (brought down)	(3,950,822)	(4,633,183)
<b>Estimated deficiency/surplus as regards creditors</b>		
Issued and called up capital	(88,032)	
<b>Estimated total deficiency/surplus as regards members</b>	<b>£</b>	<b>(4,721,215)</b>

Signature



Date 18th December 2015

## COMPANY SHAREHOLDERS

[illegible]

11/11/11

**Signature**

Date 18th December 2015



**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A2 - Secured Creditors Statement of Affairs Figures**

<b>Key</b>	<b>Name</b>	<b>£</b>
CA0B	Aldermore Invoice Finance Ltd	61,911.00
CD02	David McMahon (On behalf of Loan Note Holders	3,963,000.00
<b>2 Entries Totalling</b>		<b>4,024,911.00</b>

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A4 - Preferential Creditors Statement of Affairs Figures**

<b>Key</b>	<b>Name</b>	<b>£</b>
CE07	Employees - Holiday Pay Arrears	11,461.00
<b>1 Entries Totalling</b>		<b>11,461.00</b>

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A5 - Unsecured Creditors Statement of Affairs Figures**

<b>Key</b>	<b>Name</b>	<b>£</b>
C200	247 Meeting Ltd Suite 386 Kemp House 152-160 City Road London EC1V 2 NX	63 12
CA00	Abbey Distribution Limited Abbey House, Lisle Road High Wycombe Buckinghamshire HP13 5SH	23,659.89
CA01	Acro Services Ltd Unit 11 Piccadilly Trading Estate Giddings Road Manchester M1 2NP	39 59
CA02	Adele Hodon 11 Sussex Place Tyldesley Manchester M29 8LG	1,742.00
CA03	Alpha Electronics Northern Ltd 35 Gibfield Park Avenue Atherton Manchester M46 0SY	72.00
CA04	Anglia Componets Ltd Sandall Rd Wisbech Cambridgeshire PE13 2PS	38,034 35
CA05	Anglo American 97 Bradley Lane Bolton BL2 6RA	322.80
CA06	Assembly Solutions Ltd Terence House, Nile Street Bolton Lancashire BL3 6BW	2,584.08
CA07	Astley Hire Ltd Lloyds Court, Jury Street Leigh Lancashire WN7 5RX	1,314.00

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A5 - Unsecured Creditors Statement of Affairs Figures**

Key	Name	£
CA08	Atlantic Fork Lifts Unit 2 Marshgate Industrial Centre Fieldgate, Ditton Widnes, Cheshire WA8 8UA	356 14
CA0A	AXA PPP Healthcare Limited 5 Old Broad Street London EC2N 1AD	604 66
CB00	BEG UK Q West, Great West Road Brentford Middlesex TW8 0GP	506.42
CB01	BEI Lighting Unit 15 Brackla Industrial Estate Bridgend County of Bridgend CF31 2AN	766.80
CB03	Bluebox Communications Ltd Meridian House, 5 Longworth Road, Horwich, Bolton. Lancashire BL6 7BA	570.00
CB04	BNP Paribas Lease Group Northern Cross, Basing View Basingstoke, Hampshire RG21 4HL	623 30
CB05	Bolton Cleaning Services 365 Wigan Road Bolton BL3 5QU	778 68
CB06	Bureau van Dijk Electronic Pulishing Ltd Northburgh House 11 Northburgh Street London EC1V 0PP	2,206.80
CC05	C P Electronics Ltd Brent Crescent London NW10 7XR	5,157 36
CC08	C.B. Frost & Co Ltd Green Street Digbeth Birmingham B12 0NE	366.00

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A5 - Unsecured Creditors Statement of Affairs Figures**

Key	Name	£
CC01	CEF Unit 3 Victory Trading Estate Lever Court Bolton BL3 2AD	2,413 45
CC02	Chanters Holdings Unit 5 East Terrace Business Park Chorley PR7 6TB	17,547 81
CC03	Computers Limited 8 Oatlands Way Perton Wolverhampton WV6 7XW	3,462 00
CC04	Constant Engineering Meadowbank Business Park, Tweedale Way Chadderton Oldham OL9 8EH	38,176.82
CC06	Creative8 Limited Sedgewick Rd, 25, North Luton Industrial Estate, Sedgewick Rd Luton, Bedfordshire LU4 9DT	1,110.00
CD00	Dantom Production Solutions Ltd 18 Cameron Court, Winwick Quay, Warrington Cheshire WA2 8RE	4,003 44
CD01	Datateam Business Media Ltd 15A London Rd Maidstone ME16 8LY	90 00
CE01	E Dobson & co (Gaskets) Ltd Oakworth Road Keighley BD21 1QQ	1,080 00
CE03	ELP UK Parbrook House	3,711 60
CE04	EMAP Gillmans Ind Est Billingshurst RH14 9EZ	870 00

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A5 - Unsecured Creditors Statement of Affairs Figures**

Key	Name	£
CE05	Enterprise Sheet Metal Unit B11 Derwent Way Moss Industrial Estate, St Helens Road, Leigh Lancashire WN7 3PT	2,411.47
CE06	Experian P.O. Box 2002 Allen TX 75013	324 00
CF01	Farnell (964474)Electronic Component 150 Armley Road Leeds LS12 2QQ	438.00
CF02	Future Electronics Future House, The Glanty Egham Surrey TW20 9AH	11,678.84
CG00	Gap Personnel Holdings Ltd Gap Personnel House, Creditor Control Department Building 2, Chesney Court, Yale Business Village Wrexham Tech Park, Wrexham LL13 7YP	2,086.84
CI00	Inui Ltd 6 Freesia Close Loughborough Leicestershire LE11 2FD	756 00
CI01	InXpress 5 Blueberry Business Park Wallhead Road Rochdale OL16 5AF	1,200 23
CJ00	JLN Electrical 16 Purbeck Drive West Bridgeford Nottingham NG2 7UA	3,192.00
CJ01	Johnson & Akham Ltd Old Park Court Harris Street Bradford BD1 5HW	1,858 08
CJ02	JR Webster & Co Ltd 198 Lily Lane Platt Bridge Wigan WN2 5LL	880.75

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A5 - Unsecured Creditors Statement of Affairs Figures**

Key	Name	£
CK01	Kite Packaging Ltd 186 Torrington Avenue Tile Hill Coventry CV4 9AJ	78 84
CK02	Kuehne + Nagel Port of Liverpool Facility Pier Head Liverpool L3 1BY	4,313.48
CL03	Lena Lightings Kornicka 52 , 63-000 Sroda Wielkopolska	9,091 42
CL00	Litenow Ltd 1 Viscount Way Woodley Reading RG5 4DZ	4,724 40
CL01	Lucy Zodiion Limited Zodion House Station Road, Sowerby Bridge West Yorkshire HX63 3AG	1,303.50
CM00	Martech UK Ltd Conway House Thornhill Road Business Park Tenter Fields, Dewsbury WF12 9QT	2,032 50
CM01	Mascoprint Developments Ltd Stags End Cottage Barn Gaddesden Row, Hemel Hempstead Hertfordshire HP2 6HN	546.43
CM02	McLintocks Chartered Accountants and Business 46 Hamilton Square Birkenhead CH41 5AR	3,600.00
CM03	Mercury Safety Products Ltd 6 Chartwell Avenue Ruddington Nottingham NG11 6DJ	51 03
CM05	Momentum Circuits Ltd Unit 4 The Hermitage Desborough Road Market Harborough, Leicestershire LE16 8GP	2,784 50

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A5 - Unsecured Creditors Statement of Affairs Figures**

Key	Name	£
CN00	Network 165 Bath Road Slough Berkshire SL1 4AA	2,356.11
CN01	Nuttall Packaging Limited Mellors Road Trafford Park Manchester M17 1PB	520.92
CO00	O2 260 Bath Road Slough Berkshire SL1 4DX	661.03
CO01	Office Watercoolers Limited Waterloo House 112-116 Anglesey Court, Tower Business Park Rugeley WS15 1UL	466.83
CO02	One-LUX Ltd 3 Merchants Park Merchants Way Aldridge, West Midlands WS9 8SW	941.52
CP01	Pegasus Procurement (Asia) Ltd 2708 South Tower Guangzhou World Trade Centre Guangzhou 510095 PR China	11,964.78
CP02	Penhale Quantock Ltd Units 13-15 Roughmoore Enterprise Centre Roughmoor Trading Estate Williton, Somerset TA4 4AT	2,914.14
CP03	Platinum Precision metal Unit 39/40 Bradley Fold Industrial Estate Bolton, Lancashire BL2 6RT	1,713.30
CP05	Prime Light Electrical Ltd 13 Gateway Trading Estate Hythe Road London NW10 6RJ	1,532.10

Signature \_\_\_\_\_



**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A5 - Unsecured Creditors Statement of Affairs Figures**

Key	Name	£
CP06	Progressive Media 2nd Floor, North Suite Kings House, 13-21 Cantelupe Road East Grinstead, West Sussex RH19 3BE	138.00
CP08	Pudsey Diamond Engineering Ltd Mitchell Close West Portway Industrial Estate Andover SP10 3TJ	274 22
CR02	Reel Service Ltd 55 Nasmyth Road Southfield Industrial Estate Glenrothes, Fife KY6 2SD	482 40
CR03	Revo Media Partners Limited 3 More London Riverside London SE1 2RE	15,995.40
CR05	RS Components PO Box 99 Corby Northamptonshire NN17 9RS	1,415 73
CS00	Schofield Publishing Limited Cringleford Business Centre Intwood Road Cringlewood, Norwich NR4 6AU	834.00
CS07	Sean Talyor 8 Merebank Close, Walken Manchester M28 0AS	241 20
CS01	Seaward Electronic Ltd 15-18 Bracken Hill South West Industrial Estate Peterlee, County Durham SR8 2SW	583.20
CS02	Signature Limited Signature House Hainge Road Tivdale, Oldbury B69 2NF	901 62
CS03	Staff UK Bolton 17 Mawdsley Street Bolton BL1 1JZ	11,813.66

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A5 - Unsecured Creditors Statement of Affairs Figures**

Key	Name	£
CS04	Steinel UK Ltd 25 Manasty Road Orton Southgate Peterborough PE2 6UP	502.20
CS05	Supplies Team K House, Sheffield Business Park Europa Link Sheffield S9 1XU	114.64
CT04	The Right Fuelcard Company Ltd Gibraltar House Bowcliffe Road Hunslet Leeds LS10 1HB	377.18
CT00	Tiger Pak Unit 31 Wigan Enterprise Park Seaman Way Ince, Wigan WN2 2LE	594.72
CT01	Torus Energy Solutions Ltd 1 Slackcote Hall, Slackcote Lane Delph, Oldham OL3 5TD	5,221.20
CT02	TPSM Limited 1-5 Fowler Road, Hainault Industrial Estate Ilford Essex IG6 3UT	1,243.76
CT03	Tridonic Distribution Ltd 20 Sandown Road The Eclipse Industrial Centre Watford, Hertfordshire WD24 7AE	5,366.52
CU00	United Utilities plc PO Box 50 Warrington WA55 1AQ	2,110.81
CV00	Viridor Waste Management Limited Viridor House, Youngman Place Priort Bridge Road Taunton, Somerset TA1 1AP	803.76

Signature \_\_\_\_\_

**Duff & Phelps Ltd.**  
**MHA Lighting Limited**  
**A5 - Unsecured Creditors Statement of Affairs Figures**

<b>Key</b>	<b>Name</b>	<b>£</b>
CW00	Waterland Media Limited Waterland House, The Warren Witchford, Ely Cambridgeshire CB6 2HN	51.00
CW02	Westside Designs Ltd Unit 9 Royal House Tennyson Street Bolton BL1 3HW	390 22
CW03	Whitesmith Limited Electrical Factors 5 Tyldesley Old Road Atherton, Manchester M46 9EH	14 36
CW04	Wigan Council Broadfield Park Crawley West Sussex RH11 9RT	6,860.00
<b>81 Entries Totalling</b>		<b>284,985.95</b>

@ - Denotes associate creditor

Signature \_\_\_\_\_

## **Appendix 4**

### **Analysis of Time Charged and Expenses Incurred**

65477 MHA LIGHTING LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 18/11/2015 to 01/12/2015

ADP-Admin - Pre Appt

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Dealing with notice of intention to appoint	0 00	2 50	4 00	0 00	0 00	6 50	2,190 00	336 92
Dealings with Directors and Management	0 00	0 30	2 00	0 00	0 00	2 30	696 00	302 61
IPS set up & maintenance	0 00	0 00	1 00	7 70	0 00	8 70	1,671 00	192 07
Insurance	0 00	0 60	0 00	0 00	0 00	0 60	252 00	420 00
Strategy planning & control	0 00	2 50	8 50	1 50	0 00	12 50	3,825 00	306 00
<b>Creditors</b>								
Secured Creditors	0 00	0 70	0 75	0 00	0 00	1 45	507 75	350 17
<b>Realisation of Assets</b>								
Book debts	0 00	0 00	1 00	0 00	0 00	1 00	285 00	285 00
Freehold and Leasehold Property	0 00	0 00	1 00	0 00	0 00	1 00	285 00	285 00
Goodwill and Intellectual Property Rights	0 00	0 00	0 50	0 00	0 00	0 50	142 50	285 00
Other Tangible Assets	0 00	0 30	0 00	0 00	0 00	0 30	126 00	420 00
Plant & Machinery & Fixtures & Motor Vehicles	0 00	0 00	0 50	0 00	0 00	0 50	142 50	285 00
Sale of business	0 00	5 10	15 00	21 45	0 00	41 55	11,001 25	264 77
Stock and Work In Progress	0 00	0 00	0 50	0 00	0 00	0 50	142 50	285 00
<b>Total Hours</b>	<b>0 00</b>	<b>12 00</b>	<b>34 75</b>	<b>30 65</b>	<b>0 00</b>	<b>77 40</b>		<b>274 76</b>
<b>Total Fees Claimed</b>	<b>0 00</b>	<b>5,040 00</b>	<b>9,903 75</b>	<b>6,322 75</b>	<b>0 00</b>		<b>21,266 50</b>	

65477 MHA LIGHTING LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 01/12/2015 to 20/01/2016

ADM-Admin - Post Appt

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Case review and Case Diary management	0 00	0 00	0 25	1 60	0 00	1 85	359 25	194 19
Cashiering & accounting	0 00	0 30	1 90	1 30	0 00	3 50	1,049 50	299 86
Dealings with Directors and Management	0 00	0 30	2 00	0 60	0 00	2 90	804 00	277 24
IPS set up & maintenance	0 00	0 00	0 00	6 65	0 00	6 65	1,002 00	150 68
Insurance	0 00	0 00	1 25	0 00	0 00	1 25	356 25	285 00
Statement of affairs	0 00	0 00	3 25	0 40	0 00	3 65	998 25	273 49
Statutory matters (Meetings & Reports & Notices)	0 00	2 00	3 75	10 30	0 00	16 05	3,587 25	223 50
Strategy planning & control	0 00	0 50	5 25	4 40	0 00	10 15	2,718 25	267 81
Tax Compliance/Planning	0 00	0 40	0 25	1 25	0 00	1 90	533 00	280 53
<b>Creditors</b>								
Communications with Creditors/Employees	0 00	3 30	7 00	15 70	0 00	26 00	6,542 50	251 63
Non Pref Creditor claims adjudication and dist'n	0 00	0 00	0 75	0 00	0 00	0 75	213 75	285 00
Non Pref Creditors/Employee claims handling	0 00	0 00	3 50	10 00	0 00	13 50	2,797 50	207 22
Pref claims adjudication and distribution	0 00	0 30	0 00	3 50	0 00	3 80	948 50	249 61
Secured Creditors	0 00	1 90	1 50	0 00	0 00	3 40	1,225 50	360 44
<b>Investigations</b>								
CDDA & reports & Communication	0 00	0 30	0 25	0 00	0 00	0 55	197 25	358 64
<b>Realisation of Assets</b>								
Book debts	0 00	0 90	5 00	0 00	0 00	5 90	1,803 00	305 59
Freehold and Leasehold Property	0 00	0 20	0 00	0 00	0 00	0 20	84 00	420 00
Goodwill and Intellectual Property Rights	0 00	0 00	0 75	0 00	0 00	0 75	213 75	285 00
Hire Purchase and Lease Assets	0 00	0 00	1 75	0 30	0 00	2 05	552 75	269 63
Plant & Machinery & Fixtures & Motor Vehicles	0 00	0 00	0 00	2 90	0 00	2 90	522 00	180 00
Sale of business	0 00	14 40	19 75	6 90	0 00	41 05	13,193 75	321 41
Stock and Work In Progress	0 00	0 00	0 50	0 00	0 00	0 50	142 50	285 00
<b>Trading</b>								
Trading - Employees	0 00	0 00	0 00	1 00	0 00	1 00	235 00	235 00
Trading - Retention of Title & Claims handling	0 00	0 70	5 75	0 00	0 00	6 45	1,932 75	299 65
<b>Total Hours</b>	<b>0 00</b>	<b>25 50</b>	<b>64 40</b>	<b>66 80</b>	<b>0 00</b>	<b>156 70</b>		<b>268 11</b>
<b>Total Fees Claimed</b>	<b>0 00</b>	<b>10,710 00</b>	<b>18,391 50</b>	<b>12,910 75</b>	<b>0 00</b>		<b>42,012 25</b>	

**MHA Lighting Limited (In Administration)  
Joint Administrators' Expenses**

Company	Activity	Fee Basis	Current Period	
			Incurred	Amount Paid
			(£)	(£)
<b>Professional Advisors</b>				
Shoosmiths LLP	Solicitors- assistance in placing the Company into Administration, guidance on other ad hoc legal advice	Time costs	4,200 00	0 00
Winterhill Group	Agents- Providing valuation advice and advising on asset sales strategy and offers received	Fixed Fee	5,000 00	0 00
<b>TOTAL</b>			<b><u>£9,200.00</u></b>	<b><u>£0.00</u></b>
<b>Costs</b>				
Ansarada	Data Room Provider	Fixed Fee	500 00	0 00
Courts Advertising Limited	Statutory Advertising	Fixed Fee	169 20	0 00
IRS Insurers	Insurance of Assets	Fixed Fee	1,044 13	1,044 13
Computors Ltd	IT Costs and Services	Fixed Fee	1,368 00	1,368 00
Employees	Wages and Salaries	As per employment contracts	5,321 98	5,321 98
Royal Mail	Mail Redirection	Fixed Fee	160 00	160 00
<b>TOTAL</b>			<b><u>£8,563.31</u></b>	<b><u>£7,894.11</u></b>

The Joint Administrators' choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fee

**MHA Lighting Limited (In Administration)**  
**Joint Administrators' Disbursements**

	Current Period	
	Incurred	Amount Paid
	(£)	(£)
<b>Category 1</b>		
Bond Premium	225 00	-
<b>TOTAL</b>	<b><u>£225.00</u></b>	<b><u>£0.00</u></b>
<b>Category 2</b>		
Mileage (@ 45p / mile)	61 50	-
Parking	54 14	-
<b>TOTAL</b>	<b><u>£115 64</u></b>	<b><u>£0.00</u></b>



**Appendix 5**

**Fee Estimate**

## Fees Estimate

### Project. (65477) MHA Lighting Limited

From 1 December 2015 to 30 November 2016

Administration - Post Appointment (New)								
Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
Admin & Planning								
Case review and Case Diary management	1 00	2 00	4 00	10 00	0 00	17 00	4,600 00	270 59
Cashiering & accounting	1 00	2 00	3 00	10 00	0 00	16 00	4,315 00	269 69
Dealings with Directors and Management	1 00	3 00	2 00	3 00	0 00	9 00	3,180 00	353 33
Insurance	0 00	0 00	1 00	1 00	0 00	2 00	475 00	237 50
IPS set up & maintenance	0 00	0 00	1 00	8 00	0 00	9 00	1,805 00	200 56
Statement of affairs	0 00	0 00	4 00	0 00	0 00	4 00	1,140 00	285 00
Statutory matters (Meetings, Reports and Notices)	4 00	10 00	18 00	25 00	0 00	57 00	17,080 00	299 65
Strategy planning & control	1 00	5 00	5 00	5 00	0 00	16 00	5,375 00	335 94
Tax Compliance/Planning	0 00	1 00	1 00	4 00	0 00	6 00	1,525 00	254 17
Creditors								
Communications with Creditors/Employees	0 00	5 00	12 00	25 00	0 00	42 00	10,570 00	251 67
Non Pref Creditor claims adjudication and dist'n	0 00	2 00	5 00	10 00	0 00	17 00	4,285 00	252 06
Non Pref Creditors/Employee claims handling	0 00	0 00	5 00	10 00	0 00	15 00	3,325 00	221 67
Pref claims adjudication and distribution	1 00	2 00	3 00	5 00	0 00	11 00	3,365 00	305 91
Secured Creditors	1 00	3 00	3 00	0 00	0 00	7 00	2,895 00	413 57
Investigations								
CDDA, reports & Communication	1 00	2 00	5 00	20 00	2 00	30 00	6,865 00	228 83
Realisation of assets								
Book debts	0 00	1 00	8 00	10 00	0 00	19 00	4,660 00	245 26
Freehold and Leasehold Property	0 00	1 00	0 00	0 00	0 00	1 00	480 00	480 00
Goodwill and Intellectual Property Rights	0 00	0 00	0 75	0 00	0 00	0 75	213 75	285 00
Hire Purchase and Lease Assets	0 00	0 00	1 75	1 00	0 00	2 75	688 75	250 45
Plant & Machinery & Fixtures & Motor Vehicles	0 00	0 00	0 00	3 00	0 00	3 00	570 00	190 00
Sale of Business	0 00	14 40	19 75	6 90	0 00	41 05	13,851 75	337 44
Stock and Work in Progress	0 00	0 00	0 50	0 00	0 00	0 50	142 50	285 00
Trading								
Trading - Employees	0 00	0 00	0 00	1 00	0 00	1 00	190 00	190 00
Trading - Retention of Title, Claims handling	0 00	0 70	5 75	0 00	0 00	6 45	1,974 75	306 16
<b>Total Hours</b>	<b>11 00</b>	<b>54 10</b>	<b>108 50</b>	<b>157 90</b>	<b>2 00</b>	<b>333 50</b>		
<b>Total Estimated Fees</b>	<b>6,600 00</b>	<b>25,968 00</b>	<b>30,922 50</b>	<b>30,001 00</b>	<b>80 00</b>		<b>93,571 50</b>	

Administration - Pre Appointment (New)								
Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
Admin & Planning								
Dealing with Notice of Intention to Appointment	0 00	3 00	4 00	0 00	0 00	7 00	2,580 00	368 57
Dealings with Directors and Management	0 00	0 00	2 00	0 00	0 00	2 00	570 00	285 00
Insurance	0 00	1 00	0 00	0 00	0 00	1 00	480 00	480 00
IPS set up & maintenance	0 00	0 00	1 00	8 00	0 00	9 00	1,805 00	200 56
Strategy planning & control	0 00	3 00	9 00	2 00	0 00	14 00	4,385 00	313 21
Tax Compliance/Planning	0 00	0 00	0 00	1 00	0 00	1 00	190 00	190 00
Creditors								
Secured Creditors	0 00	1 00	1 00	0 00	0 00	2 00	765 00	382 50
Realisation of assets								
Book debts	0 00	0 00	1 00	0 00	0 00	1 00	285 00	285 00
Freehold and Leasehold Property	0 00	0 00	1 00	0 00	0 00	1 00	285 00	285 00
Goodwill and Intellectual Property Rights	0 00	0 00	1 00	0 00	0 00	1 00	285 00	285 00
Other Tangible Assets	0 00	1 00	2 00	2 00	0 00	5 00	1,430 00	286 00
Plant, Machinery, Fixtures and Motor Vehicles	0 00	0 00	1 00	0 00	0 00	1 00	285 00	285 00
Sale of business	0 00	9 00	15 00	21 00	0 00	45 00	12,585 00	279 67
Stock and Work In Progress	0 00	0 00	1 00	0 00	0 00	1 00	285 00	285 00
<b>Total Hours</b>	<b>0 00</b>	<b>18 00</b>	<b>39 00</b>	<b>34 00</b>	<b>0 00</b>	<b>91 00</b>		
<b>Total Estimated Fees</b>	<b>0 00</b>	<b>8,640 00</b>	<b>11,115 00</b>	<b>6,460 00</b>	<b>0 00</b>		<b>26,215 00</b>	

This includes time already incurred since the Appointment Date of £42,012 as detailed at Appendix 4

## **Appendix 6**

### **Estimated Expenses of the Administration**

## Joint Administrators Estimated Expenses for Whole Period of Administration

Notes	Activity	Date of Instruction	Fee Basis	Anticipated Total Cost
<b>1 Professional Advisors</b>				<b>£</b>
	Winterhill Group	Providing valuation advice and advising on asset sales strategy and offers received	23/11/2015 Time Costs	5 000 00
	Shoosmiths LLP	Assistance in placing the Company into Administration drafting of Sale and purchase agreement guidance on other ad hoc legal matters	19/11/2015 Time Costs	7 000 00
	Crowe Clark Whitehill LLP	Assistance with statutory tax compliance	06/01/2016 Fixed Fee	2 500 00
	Cerberus	Assistance in collection of the Company's debtor ledgers	01/12/2015 Time costs	8 000 00
				<b>22,500 00</b>
	<b>Disbursements</b>			
	<b>Category 1</b>			
	Courts Advertising	Statutory Advertising	N/A Fixed Fee	170 00
	IRS	Bond premium	N/A Fixed Fee	1 044 13
	Royal Mail	Mail Redirection	N/A Fixed Fee	180 00
	Storage	Storage of Company records	N/A Fixed Fee	500 00
	Ansarada	Data Room	N/A Fixed Fee	500 00
	Computers Ltd	IT Support and Services	N/A Fixed Fee	1 368 00
	Employees	Wages and Salary	N/A As per employment contracts	5 321 98
				<b>9,064 11</b>
	<b>2 Category 2</b>			
	Mileage @ 45p per mile			54 14
	Car Parking			61 50
	Total Category 2 disbursements			<b>115 64</b>
	<b>Total Estimated Expenses</b>	<b>TOTAL</b>		<b>31,679 75</b>

## Notes to Estimated Expenses Schedule

1 The Joint Administrators' choice of professional advisors will be based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.

Category 2 disbursements are costs that are directly referable to the Administration but not to a payment to an independent third party.

Mileage is the reimbursement of staff expenses, at a specified rate, travelling by car to attend meetings. A nominal figure is shown.

The total anticipated expenses is an estimate based on information at the commencement of the appointment. The estimate should therefore be treated with caution as matters are likely to change over the life of the Administration.

## **Appendix 7**

### **Fees Narrative**

**MHA Lighting Limited - In Administration**  
**Fee Estimate for the whole period of the Administration**

Sarah Bell and Steven Muncaster were appointed on 1 December 2015

**Introduction**

The following information is provided to creditors to enable them to consider and approve the Joint Administrators' remuneration. It is a summary of key issues, to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors.

This document should be read in conjunction with the Joint Administrators' Proposals Report which provides further details of the assets, liabilities and estimated return to creditors, if any. Particular reference is made to the Appendices entitled 'Analysis of Time Charged and Expenses Incurred', 'Fee Estimate' and 'Estimated Expenses of the Administration'.

**Estimated Fees and Expenses**

The Joint Administrators propose that their fees will be based on time costs.

The amount expected to be drawn in fees over the life of the case by the Administrators is shown in Appendix 5 Fee Estimate.

The Administrators estimate the expenses of the Administration to total about £31,679 (as shown in Appendix 6 Estimated Expenses of the Administration). This Appendix illustrates the estimated expenses for the whole of the Administration and is for information purposes (not for approval by any class of creditor). This Estimate may change over the course of the Administration but creditors will be informed of any variations with associated reasons in the annual Progress Reports.

As detailed in paragraph 13.3 of the main report, Secured and preferential creditors are asked to approve the fee basis (time costs) and also the Fee Estimate in the total sum of £93,571.

**Estimated Return to Creditors**

On present information it is likely that there will be sufficient realisations to enable a dividend to the Secured and preferential creditors, and potentially a Prescribed Part distribution to non-preferential creditors.

**Strategy**

**Asset Realisations**

Plant & machinery, office furniture & equipment, motor vehicles and stock & WIP has been sold for £85,000 plus VAT to an unconnected third party. Agents' fees, including valuation and sale, amounted to £5,000. As shown on Appendix 4, time costs of £13,194 have already been incurred in realising these assets in addition to the marketing of the business and these assets and negotiating a sale. No further time in this respect is anticipated. Therefore, the net benefit to the Administration in realising the plant & machinery, office furniture & equipment, motor vehicles and stock and WIP after costs is £66,086.

Both the assigned and non-assigned book debt ledgers will be collected with the assistance of Cerberus. Cerberus' fees are currently uncertain as this will be dependent on future collections. The Joint Administrators are currently uncertain of the value of future realisations in respect of book debts; however, it is currently estimated that Aldermore has been repaid its principal indebtedness and is holding a surplus. As shown in Appendix 4, costs of £1,803 have been incurred in realising the book debts to date. Due to the appointment of Cerberus, future time costs are estimated to be minimal.

The smaller assets, cash at bank and the petty cash (see Statement of Affairs) will be realised without the assistance of Agents and it is anticipated that lower level staff will complete most of the work, therefore keeping associated costs fairly low.

On present information it is estimated that the Joint Administrators' time costs in realising total assets will be £20,607, of which £16,512 has already been incurred and the associated expenses incurred by the Agents are estimated at £5,000 plus a percentage of the book debt realisations in relation to Cerberus. The total asset realisations, excluding book debts will be approximately £98,332, this brings a benefit to the Administration after related costs of realisation of assets about £77,725.

### **Investigations**

It is a statutory requirement that the Joint Administrators provide a report to the Secretary of State on the conduct of the Directors in their management of the Company to determine their unfitness to act in such a role. This will entail a broad level of investigation to ensure that best practice standards are met and the Fee Estimate reflects this standard. If the Secretary of State then instigates Directors Disqualification proceedings, further time may be expended in providing supporting documents, witness statements etc. Such investigation may or may not lead to further asset recovery so creditors should not assume that this activity will provide a monetary benefit to the Administration estate.

Full details of the investigations to be conducted cannot be disclosed at this stage in order to avoid prejudicing any potential recovery or action in this regard.

### **Statutory Compliance**

An Administrator is highly regulated, being required to conform to insolvency legislation, industry Best Practice policies (Statements of Insolvency Practice) and relevant case law. Consequently, Administrators are obliged to undertake many activities that do not provide a financial benefit to creditors. Such matters will include, but are not restricted to: Anti Money Laundering, Bribery Act and Ethical considerations and checks, statutory advertising, regular reporting to creditors including fee agreement procedures, obtaining and securing company books and records, pension review and liaison with the Pension Protection Fund, Companies House filing, completion and release of insolvency bond and various Treasury functions. Time costs are estimated at £39,495 for the above areas (including £11,407 already incurred).

**Appendix 8**

**Form 2 21B Creditor's Request for a Meeting**



## Rule 2 37

## Creditor's request for a meeting

Name of Company

MHA Lighting Limited

Company number

07013646

In the  
High Court of Justice, Chancery Division,  
Manchester District Registry

Court case number

3225 of 2015

(a) Insert full name and  
address of the creditor  
making the request

I (a)

(b) Insert full name and  
address of registered  
office of the company

request a meeting of the creditors of MHA Lighting Limited

(b) Registered Office  
The Chancery  
58 Spring Gardens  
Manchester, M2 1EW

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and  
address(es) of creditors  
concurring with the  
request (if any) and their  
claims in the  
administration if the  
Requesting creditor's claim  
is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of  
concurrence(e) Insert details of the  
purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated

**Appendix 9**

**Proof of Debt Form**

**Proof of Debt – General Form**

<b>MHA Lighting Limited (In Administration)</b>		
Date of Administration 01/12/2015		
1	Name of creditor (If a company please also give company registration number)	
2	For correspondence Address of creditor	
	Contact telephone number of creditor	
	Email address of creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into Administration	
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the Administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf  _____	
	Name in BLOCK LETTERS  _____	
	Position with or in relation to creditor  _____	
	Address of person signing (if different from 2 above)  _____	
<b>For Administrators' Use only</b>		
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Administrator		Administrator