

AM10

Notice of administrator's progress report



Companies House

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

1 Company details

Company number

Company name in full

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)

Surname

3 Administrator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

4 Administrator's name ①

Full forename(s)

Surname

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other administrator
Use this section to tell us about
another administrator.

AM10
Notice of administrator's progress report

6 Period of progress report

From date	d	2	d	9	m	0	m	5	y	2	y	0	y	2	y	0
To date	d	2	d	8	m	1	m	1	y	2	y	0	y	2	y	0

7 Progress report

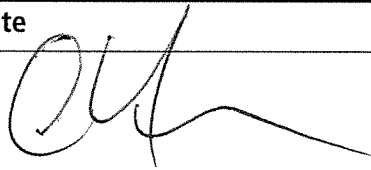
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	d	1	d	0	m	1	m	2	y	2	y	0	y	2	y	0
----------------	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

London Power & Technology Limited (IN ADMINISTRATION)

The Joint Administrators' Progress Report to 28 November 2020

Andrew Fender

Sandra Fender

Sanderlings LLP

Sanderling House

Springbrook Lane

Earlswood

Solihull

B94 5SG

01564 700 052

info@sanderlings.co.uk

This report has been prepared for the sole purpose of updating the creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Andrew Fender and Sandra Fender were appointed Joint Administrators of London Power & Technology Limited on 29 May 2020. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

Contents

1. Executive Summary
2. The Progress of the Administration
3. Creditors: Claims and Distributions
4. Investigations
5. The Joint Administrators' Fees and Expenses
6. Conclusion

Appendices

- I. Statutory Information and Definitions
- II. The Joint Administrators' Receipts and Payments Account
- III. The Joint Administrators' Time Costs
- IV. Charge-out Rates and Bases of Disbursements
- V. Fees and Expenses Estimates as Circulated

1. EXECUTIVE SUMMARY

This report describes the progress since the commencement of the Administration ("the Review Period").

A summary of key information in this report is detailed below.

Asset realisations

Asset	Estimated to realise per Statement of Affairs	Realisations to date	Anticipated future realisations	Total anticipated realisations
Investments	16,727,812	Nil	Not known	Not known

Expenses

Expense	Estimated per Proposals	Expense incurred to date	Anticipated further expense to closure	Total anticipated expense
Joint Administrators' fees	102,530	26,162	76,368	102,530
Legal & agent's costs	50,000	10,000	Not known	50,000
Other Cat 1 disbursements	1,036	236	800	1,036
Category 2 disbursements	405	405	Nil	405

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Secured creditor	Nil	Not known
Preferential creditors	N/a	N/a
Unsecured creditors	Nil	Not known

1.1 Summary of key issues outstanding

- Realisation of investments in London Power Corporation Limited
- Review of position regarding Transaction at an Undervalue established by Court proceedings

2. THE PROGRESS OF THE ADMINISTRATION

2.1. The Joint Administrators' receipts and payments account

Attached at Appendix II is a receipts and payments account for the Review Period.

The rest of this report describes the key developments in the Administration over the Review Period. For a detailed list of work undertaken by the Joint Administrators as a whole, see Appendix V.

In this section, we have summarised the main asset realisations during the Review Period and an estimation of those assets yet to be realised, together with details of the associated costs incurred but as yet remaining unpaid.

2.2. Administration (including statutory reporting)

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards.

During the Review Period, primarily these tasks have included:

- Informing all relevant persons of the commencement of the Administration, including filing statutory documents at Companies House and meeting statutory advertising requirements;
- Issuing the Joint Administrators' Proposals, seeking relevant creditors' approvals and issuing notice of the outcome;
- Drafting and issuing the progress report to creditors;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments; and
- Completing periodic tax returns.

2.3. Trading

As outlined in the Joint Administrators' Proposals Report, the principal activity of the Company was a holding company and this effectively ceased upon commencement of the legal proceedings against it.

2.4. Realisation of assets

As set out in my proposals the asset of the Company comprised the whole of the Preference share capital of London Power Corporation Limited (LPC) In Administration.

The most recent report of the administrator, filed in May 2020, considers that the company will be returned to the management as the exit from Administration.

If this is the case the method of valuation of the shares will remain as used to calculate the take on value. It is however unlikely that the value will remain as high.

Any action needed to be taken will be considered at the relevant time.

Transaction at an undervalue

I am still considering the position before any formal action is taken.

Court Application

The application continued uncontested which resulted in a joint costs order against this company, London Group LLP and LPE Enterprises Limited. As the defendants were all in administration the costs order will rank as unsecured.

2.5. Estimated future realisations

As outlined above, the extent and timing of any future realisations is unclear at this stage.

2.6. Costs incurred but remaining unpaid

During the Review Period, the Joint Administrators have incurred time costs and direct expenses, not all of which have yet been discharged. Further details of these costs are set out in section 5 below.

3. CREDITORS: CLAIMS AND DISTRIBUTIONS

3.2. Secured and preferential creditors

The Administrators are not aware of any secured or preferential creditors.

3.3. Unsecured creditors

Unsecured claims were estimated at £19,188,537 in the Director's Estimated Statement of Affairs.

It remains unclear whether there will be sufficient funds to pay a distribution to unsecured creditors.

4. INVESTIGATIONS

4.1. Investigations

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company Directors was completed.

In this regard, a confidential report was submitted to the Insolvency Service on 12 August 2020.

4.2. Initial Assessment of Potential Recoveries

As part of our duties as Joint Administrators, we are obliged to review shortly after appointment all the information available to us and conduct an initial assessment of whether there are any matters which may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This review has been completed and further investigations are taking place regarding the transactions highlighted above and previously, particularly in light of the court proceedings.

5. THE JOINT ADMINISTRATORS' FEES AND EXPENSES

5.1. Pre-Administration Costs

Included within the Joint Administrators' Proposals was a Statement of Pre-Administration Costs.

These costs were approved as detailed below:

Party instructed	Amount approved (£)	Date approved
Sanderlings LLP	2,700.00	7 August 2020
TOTAL APPROVED	£2,700.00	

5.2. The Joint Administrators' Fees

The basis of the Joint Administrators' fees was fixed on 7 August 2020 by the secured creditor as follows:

- By reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Sanderlings LLP at the time the work is performed (plus VAT);

A breakdown of the time costs incurred during the Review Period and for the Administration as a whole is provided at Appendix III and further information regarding the charge-out rates of the Joint Administrators and their staff is provided at Appendix IV.

"A Creditors' Guide to Administrators' Remuneration" is available for download at <http://www.sanderlings.co.uk/creditors-guides/administration.pdf>

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost.

5.3. Comparison of estimates

The Joint Administrators' time costs incurred to date (whether or not they have been charged to the Administration estate) are compared with the original fees estimate as follows:

Work category	Original fees estimate			Actual time costs incurred during the Review Period			Actual time costs incurred to date		
	Number of hours	Blended hourly rate £ per hour	Total fees £	Number of hours	Average hourly rate £ per hour	Total time costs £	Number of hours	Average hourly rate £ per hour	Total time costs £
Administration (including statutory reporting)	141	320.35	45,170	55.5	377.78	20,967	N/a	N/a	N/a
Realisation of assets	69	374.78	25,860	0.3	350.00	105	N/a	N/a	N/a
Creditors (claims and distribution)	54	261.11	14,100	4.7	426.38	2,004	N/a	N/a	N/a
Investigations	65	267.69	17,400	10.8	285.74	3,086	N/a	N/a	N/a

The expenses incurred to date are compared with the original expenses estimate as follows:

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Legal & agent's costs	50,000.00	10,000.00	N/a	N/a
Advertising	86.65	86.65	N/a	N/a
Bonding	840.00	40.00	N/a	N/a
VisionBlue software	110.00	110.00	N/a	N/a
Veriphy AML checks	30.00	30.00	N/a	N/a
Stationery, printing, postage, telephone	175.00	175.00	N/a	N/a
Storage	200.00	200.00	N/a	N/a
TOTAL	51,441.65	10,641.65		

The bases on which the expenses defined as Category 2 disbursements are calculated are explained in Appendix IV.

Having regard for the costs that are likely to be incurred in bringing this Administration to a close, the Joint Administrators consider that:

- the original fees estimate is unlikely to be exceeded; and
- the original expenses estimate is unlikely to be exceeded.

5.4. Creditors' right to request information

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with permission of the Court, may request in writing the Joint Administrators to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report

5.5. Creditors' right to challenge fees and/or expenses

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

6. CONCLUSION

The Administration will continue in order to finalise the following outstanding matters detailed above.

If you require any further information please our office on 01564 700 052.



Andrew Fender
Joint Administrator

Dated: 10 December 2020



Sandra Fender
Joint Administrator

Dated: 10 December 2020

Andrew Fender and Sandra Fender were appointed Joint Administrators of London Power & Technology Limited on 29 May 2020. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

London Power & Technology Limited (IN ADMINISTRATION)**STATUTORY INFORMATION**

Company Name	London Power & Technology Limited
Previous Names	London Power & Technology (2018) Limited
Proceedings	In Administration
Court	Birmingham Business and Property Courts
Court Reference	330 of 2020
Date of Appointment	29 May 2020
Joint Administrators	Andrew Fender Sandra Fender
Registered office Address	Sanderling House, Springbrook Lane, Earlswood, Solihull, B94 5SG
Company Number	11475996
Appointment by	Appointed by Directors

DEFINITIONS

The Act	Insolvency Act 1986
The Rules	Insolvency (England & Wales) Rules 2016
The Joint Administrators	Andrew Fender and Sandra Fender
The Company	London Power & Technology Limited (in Administration)
The Court	Birmingham Business and Property Courts
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 29.05.20 to 28.11.20

London Power & Technology Limited (IN ADMINISTRATION)
THE JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

London Power & Technology Limited
Receipts and Payments Account from 29 May 2020 to 28 November 2020

<u>Receipts</u>	£
None	Nil
	<hr/>
	<hr/> - <hr/>
 <u>Payments</u>	
None	Nil
	<hr/>
	<hr/> - <hr/>
 <u>Closing Balance</u>	 <hr/>
	<hr/> 0.00 <hr/>

Where funds are held, they are held in an Interest Bearing Account

London Power & Technology Limited (IN ADMINISTRATION)
THE JOINT ADMINISTRATORS' TIME COSTS

Sanderlings

TIME & CHARGEOUT SUMMARIES

London Power & Technology Ltd - Post Admin

From 29/05/2020 to 28/11/2020

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	29.40	0.60	10.90	14.60	55.50	20,967.00	377.78
Investigations	3.20	0.00	0.20	7.40	10.80	3,086.00	285.74
Realisation of Assets	0.00	0.00	0.30	0.00	0.30	105.00	350.00
Creditors	3.80	0.00	0.00	0.90	4.70	2,004.00	426.38
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	17,472.00	120.00	3,990.00	4,580.00		26,162.00	
Total Hours	36.40	0.60	11.40	22.90	71.30		
Average Rate	480.00	200.00	350.00	200.00			

London Power & Technology Limited (IN ADMINISTRATION)
CHARGE-OUT RATES AND BASES OF DISBURSEMENTS

Fees

The fees of the Trustee/Liquidator/Supervisor/Administrator (appointed IP) are fixed by reference to time properly spent by the appointed IP and his staff in attending to all matters arising in the Bankruptcy/Liquidation/Voluntary Arrangement/Administration (case) unless otherwise agreed with the creditors. The appointed IP and his staff charge time to all insolvency cases in units of 6 minutes. The Trustee/Liquidator/Supervisor/Administrator reserves the right to charge interest at a rate of 2% above bank base rate on unrecovered work in progress.

The charge-out rates for the various categories of staff are as follows:-

	Charge Out Rate per Hour £
Appointed Partner (Trustee, Supervisor, Liquidator, Administrator, Administrative Receiver)	480
Partner/Senior Manager	350
Manager	250
Case Administrator	200
Support staff (only to be chargeable for periods of 1 hour or more)	110
Junior	50

Standard Activity	Examples of Work
Statutory Compliance, administration & planning	Statutory reporting and compliance, compliance with other regulatory requirements case planning, administrative set up, appointment notification, maintenance of records, SIP 2 review, CDDA reports, Investigating antecedent transactions
Investigations	Identifying, securing, insuring assets, Retention of title, Debt collection
Realisation of assets	Property, business and asset sales
Trading	Management of operations, accounting for trading, on going employee issues
Creditors	Communication with creditors, Creditors' claims (including employees and other preferential creditors)

Disbursements - Category 2 Disbursements

In dealing with the case, the appointed IP will incur expenses and disbursements that are recoverable from the assets available in the case in accordance with the Insolvency (England and Wales) Rules 2016 where appropriate (e.g. Rule 3.51 in Administrations and Rule 6.42 in CVLs). In addition to out of pocket expenditure, the appointed IP will also recover shared or allocated costs. These may be referred to as category 2 disbursements. Where applicable, such category 2 type disbursements are calculated as follows: -

Expense Type	Basis of Charge
For all official stationery, printing postage and telephone charges, including notices to creditors and contributories in respect of the first meetings of creditors and contributories:	(i) for a number of creditors and Contributories not exceeding 25, £175 (ii) for every additional 10 creditors and contributories or part thereof, £40
Where any other meetings of creditors or contributories are held, for summoning and holding the meetings and for statutory circulars:	(iii) for a number of creditors and Contributories not exceeding 25, £155 (iv) for every additional 10 creditors and contributories or part thereof, £20

All other expenses and disbursements are recovered as follows:

Expense Type	Basis of Charge
Room Hire (for each statutory meeting of creditors)	£175.00 per meeting
Mileage	35-95p per mile
Company search costs	£45 per search
Storage of company books and records	£2.50 per box per quarter*

* Where funds permit, a charge for storage of boxes for 12 months after closure of the case is made to cover storage costs until such time as destruction of the records is permitted. Minimum charge of £200 to cover administration.

Should any creditor require further clarification in respect of fees or expenses, then please contact the appointed IP or case manager as identified in the correspondence concerning the case in question.

INFORMATION

Within 21 days of receipt of this progress report a creditor may request that I provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made by a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the creditors (including that creditor) or the permission of the court. You also have a right to challenge my remuneration and expenses.

I am obligated to provide the requested information within 14 days, unless I consider that the time or cost involved in preparing the information would be excessive, or disclosure would be prejudicial to the conduct of the proceedings or might be expected to lead to violence against any person, or I am subject to an obligation of confidentiality in relation to the information requested, in which case I must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days of my refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information. As an insolvency practitioner I am bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

A guide to fees is available on request or at: www.icaew.com/en/technical/insolvency/creditors-guides - Updated 1 January 2020

London Power & Technology Limited (IN ADMINISTRATION)
FEES AND EXPENSES ESTIMATES AS CIRCULATED

Expenses Estimate for London Power & Technology Limited in Administration

Below are the expenses estimates in respect of category 1 direct expenses and category 2 expenses which will have an element of shared or allocated costs.

My estimate for my category 1 expenses for the period of the case is £51,066.65.

My estimate for my category 2 expenses for the period of the case is £375.00 and I am seeking a resolution for approval of the basis of calculation of these expenses.

Expenses Category 1	Basis	Estimate of total £
Legal & agent's costs JSCS Ltd were instructed by the Administrator to provide advice generally on issues from time to time including for example on issues around the company's assets. Agents will also be instructed for specialist advice with regarding to realising the company's interest in the assets	Time costs	50,000.00
Advertising	Fixed	86.65
Bonding	Fixed	840.00
VisionBlue/INSOLV fee	Fixed	110.00
Veriphy	Per Search	30.00
Total		51,066.65

Expenses Category 2	Basis	Estimate of total £
Stationery / printing / postage / telephone	Fixed	175.00
Storage	Estimated cost	200.00
Total		375.00

Details of the work I propose to undertake:-	Time anticipated in hours (charged in 6 minute units)		Cost £	
Compliance matters and cashiering, including but not limited to calculation and payment of the Bordereau liability and monitoring the Bordereau level, preparation and submission of statutory returns and statutory requirements for advertising, reviewing ethical, anti-money laundering and anti-bribery safeguards, completion of post appointment formalities, bank account administration, periodic reviews and updating checklists, preparation and documentation, creditor decisions, for proposals reports and 6 month reports and associated compliance requirements, final report and formalities at completion of the Administration	Administrator	54.0	25,920	
	Other Senior Professional	15.0	5,250	
	Case Administrator	50.0	10,000	
	Junior	13.0	650	
Case planning and discussions regarding strategies to be pursued, meetings with staff, directors and advisors to consider the practical, technical and legal aspects of the case, including communication, compliance with any regulatory requirements	Administrator	5.0	2,400	
	Other Senior Professional	1.0	350	
	Case Administrator	3.0	600	
Realisation of assets as per the Statement of Affairs and reviewing the position in respect of any other assets that come to the Administrator's attention such as Cash at Bank, Debtors and Causes of Action, in particular taking steps to realise the Company's interest in the preference shares and associated assets, including communication with legal advisors, agents and charge holders, correspondence and communication with regard to any Hire Purchase assets and Retention of Title claims if applicable, review of records in respect of any potential claims for intellectual property, VAT, corporation tax, insurance, director's loans and inter-company accounts	Administrator	42.0	20,160	
	Other Senior Professional	2.0	700	
	Case Administrator	25.0	5,000	
Communication with creditors including dealing with all enquiries, any applicable employee claims, to include where appropriate communication with former staff, the Redundancy Payments Service and pension scheme administrators as well as agreement of claims and distribution of funds if appropriate, review of correspondence, receipt of Proofs of Debt, consideration of HMRC correspondence, tax liabilities and requirements as to compliance, agreement of unsecured claims and distribution of Prescribed Part fund if appropriate, seeking advice on the validity of the secured creditor's claim and distribution of funds where appropriate	Administrator	15.0	7,200	
	Other Senior Professional	5.0	1,750	
	Case Administrator	23.0	4,600	
	Junior	11.0	550	
Completion of duties in respect of the Company Directors Disqualification legislation and investigation of company's affairs, including recovery of books and records, information from third party sources such as bank statements, review of secured creditors and the validity of security, review and comparison of the last available set of accounts against the Statement of Affairs. Review of records and bank statements for at least the last 12 months, looking for any anomalous payments, analysing the position of creditors including hire purchase and Crown liabilities. Consideration as to whether any antecedent transactions have occurred, such as preference or transactions at undervalue, liaising with solicitors in this regard, and reviewing questionnaires and information submitted by directors and creditors. Submission of findings to the Insolvency Service and providing assistance thereafter where required	Administrator	35.0	16,800	
	Other Senior Professional	0.0	0	
	Case Administrator	30.0	600	
Estimate total maximum fees to be charged			102,530	