

The Insolvency Act 1986

# Notice of move from administration to dissolution

Name of Company <b>Amber Dudes Limited</b>	Company Number <b>02912747</b>
In the <b>High Court of Justice, Chancery Division, Cardiff District Registry</b> <small>(full name of court)</small>	Court case number <b>252 of 2013</b>

(a) Insert name(s) and address(es) of administrator(s) We (a) Roger Hale of PricewaterhouseCoopers LLP, One Kingsway, Cardiff, CF10 3PW and Robert Hunt of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT

(b) Insert name and address of registered office of company having been appointed administrators of (b) Amber Dudes Limited

(c) Insert date of appointment on (c) 30 August 2013 by (d) Howard Wetter

(d) Insert name of applicant / appointor hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply.

We attach a copy of the final progress report.

Signed *R. C. Hale*  
Joint Administrator

Dated 27 August 2014

## 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 searchers of the public record

Hugh Rothwell	
PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP	
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28/08/2014

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COMPANIES HOUSE

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**Amber Dudes Limited – in Administration  
High Court of Justice, Chancery Division  
Cardiff District Registry  
Case No. 252 of 2013**

**Joint Administrators' final progress report for the  
period from 1 March 2014 to 27 August 2014**

**27 August 2014**

**PricewaterhouseCoopers LLP**  
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Leeds, LS1 4JP  
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*[www.pwc.co.uk/amberdudes](http://www.pwc.co.uk/amberdudes)*

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The following abbreviations are used in this report

<i>"the Company"</i>	Amber Dudes Limited
<i>"the Administrators" or "we"</i>	Roger Gareth Hale and Robert Nicholas Lewis
<i>"the Bank" or "the secured creditor"</i>	HSBC
<i>"PwC"</i>	PricewaterhouseCoopers LLP
<i>"IA86"</i>	The Insolvency Act 1986
<i>"Sch B1 IA86"</i>	Schedule B1 to the Insolvency Act 1986
<i>"IR86"</i>	The Insolvency Rules 1986

# **1 The Joint Administrators' progress report**

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## **Introduction**

We write to provide creditors with details of the progress of the administration of Amber Dudes Limited ("the Company") in the period following the Administrators' last report dated 27 March 2014. This is the final progress report pursuant to Rule 2.47 and 2.110 of the Insolvency Rules 1986 ("IR86").

The Administrators are required to provide certain statutory information pursuant to Rule 2.47(1)(a) to (d) IR86, which is included in Section 2.

There have been insufficient asset realisations to provide any funds for unsecured creditors.

Details of the steps taken during the Administration, the assets realised, and the outcomes for creditors are set out below

## **Overview of the Administration**

The Administrators circulated their proposals for achieving the purpose of the Administration to all creditors on 17 October 2013. These were approved by creditors, without modification. Full background information was provided with our proposals and is not repeated here for the purpose of this report. However, in summary, the Company operated as a wholesaler and distributor of fashion clothing and accessories, operating from freehold premises in Newport. Immediately following our appointment a sale of the business and assets of the Company (excluding the two freehold properties and book debts) completed to Bedroom Athletics Limited for a total consideration of £120,000.

The proposals and previous progress report are still available to view at [www.pwc.co.uk/amberdudes](http://www.pwc.co.uk/amberdudes). A hard copy can also be obtained by calling Hugh Rothwell on 0113 289 4165, or emailing [hugh.j.rothwell@uk.pwc.com](mailto:hugh.j.rothwell@uk.pwc.com).

## **Asset realisations**

Total realisations in the administration are summarised in the following table. A more detailed receipts and payments account is set out in Section 3.

	£
Goodwill	39,103
Customer contracts	39,100
Intellectual property rights	13,000
Warehouse stock	12,700
Equipment	10,305
Information Technology	5,790
Business Records	1
Deposits	1
Sale of business and assets	<b>120,000</b>
Book debts/cash in hand	15,071
Book debts subject to invoice financing	3,150
Freehold properties	497,000
VAT refund	7,279
Rates refund	3,988
Terminal loss relief claim	8,126
Refunds (other)	1,000
Total	<b>652,464</b>

## **1 The Joint Administrators' progress report**

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### ***Freehold properties***

The Company owned two freehold properties, an office (Clampett House) and two adjoining warehouses (23 & 24 Leeway Industrial Estate)

Bedroom Athletics Limited remained in the properties until 28 February 2014, under a short term lease. Although this did not generate funds for the Administration it significantly reduced the costs that can be incurred when holding an empty property.

Edward Symmons were engaged as our agents to market and sell the properties following our appointment.

A number of offers were received on both properties and offers were accepted at the end of November 2013 from two separate parties

The sale of units 23 & 24 Leeway Industrial Estate completed on 3 March 2014 for total consideration of £217,000 The purchaser was Starburst (UK) Limited.

The sale of Clampett House completed on 19 April 2014 for a total consideration of £280,000 The purchaser was Nanopharm Limited.

### ***Tax claim***

The Administrators pursued a terminal loss claim for the Company An amount of £8,126 has been recovered

### ***VAT refund***

The Company has received a refund of £7,279 39 in relation to a refund of pre-appointment VAT

### ***Rates refund***

Refunds of £3,988 36 were received by the Company in relation to a historic business rates charging error The work leading to this refund was carried out by our agent's, Exacta Plc.

### ***Other refunds***

A refund of £1,000.00 was received from Pitney Bowes in relation to a balance on a closed account.

### ***Statutory matters***

During the period of this report, we have also been dealing with the statutory requirements of an administration appointment Section 5 provides more detail on these matters, which include the submission of quarterly VAT returns to HM Revenue & Customs, the preparation of this report and also dealing with corporation tax matters

### ***Receipts and payments account***

An account of the receipts and payments in the Administration for the period from 1 March 2014 to 27 August 2014 is set out in Section 3 of this report.

### ***Expenses statement***

A statement of expenses incurred in the period of this report is included in Section 4.

## **1 The Joint Administrators' progress report**

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### **Administrators' remuneration**

The following information is included in Section 5, covering the period of this report:

- An analysis of the time spent in dealing with matters arising in the Administration,
- A narrative explaining the key tasks and issues falling under each category of work,
- A summary of our policy for charging and recovering disbursements, and
- A summary of other professional firms working on this case during the period

The secured creditor fixed our remuneration on a time costs basis on 4 December 2013

### **Pre-administration costs**

Our pre-administration costs have been approved by the secured creditor and we have been reimbursed, in full. Information regarding the payment of these costs can be found at Section 6 of this report

### **Creditors' rights**

A statement of creditors' rights in relation to the Administrators' remuneration, can be found online at the following address

<http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-administrators-fees-final.pdf>

Alternatively, a copy can be obtained free of charge by telephoning Hugh Rothwell on 0113 289 4165

### **Outcome for creditors**

#### ***Secured creditors***

The Bank's lending to the Company as at the date of administration was in the region of £1.29million and was secured by a debenture dated 20 September 2002. This security gives the Bank fixed and floating charges over all the Company's assets. The Bank confirmed that due to the release of a bond the outstanding bank debt was actually £1.263million.

In this period, the Bank has received £490,145.83 in distributions

The secured creditor has not been repaid their lending in full

#### ***Preferential creditors (mainly employees)***

Preferential claims relate to arrears of wages, subject to statutory limits, and unpaid holiday pay. The successful transfer of the business included the transfer of employment of all employees to the purchaser. Therefore, the Transfer of Undertakings (Protection of Employment) Regulations apply and no preferential creditor claims have been received or were anticipated.

#### ***Unsecured creditors***

In this case the prescribed part does not apply because the floating charge registered against the Company was created before 15 September 2003

Unsecured creditors will not receive any funds from the Administration

# **1 The Joint Administrators' progress report**

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## **Ending the Administration**

We have achieved objective (b) 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). All assets have been realised and funds distributed, therefore it is appropriate to bring the Administration to an end. Form 2.35B, Notice of move from administration to dissolution, was filed with the Registrar of Companies on 27 August 2014 in accordance with Paragraph 84 (1) Sch. B1 IA86. Following registration of the Notice, the Company will be dissolved three months later.

## **Discharge**

In accordance with a resolution of the secured creditor the Administrators shall be discharged from liability pursuant to Paragraph 98(1) schedule B1 to the Insolvency Act 1986 in respect of any action of theirs as Administrators when their appointment as Administrators ceases to have effect.

Should you have any further queries, please do not hesitate to contact my colleague, Hugh Rothwell, on 0113 289 4165.



**Roger G Hale**  
**Joint Administrator**  
**Amber Dudes Limited – in Administration**

*Roger Gareth Hale and Robert Nicholas Lewis have been appointed as joint administrators of the Company to manage its affairs, business and property as its agents. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.*

*The joint administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the administration.*

## 2 Statutory and other information

<b>Court details for the administration:</b>	High Court of Justice, Chancery Division, Cardiff District Registry, Court Case 252 of 2013
<b>Full name:</b>	Amber Dudes Limited
<b>Trading name:</b>	Amber Dudes Limited
<b>Registered number:</b>	02912747
<b>Registered address:</b>	Benson House, 33 Wellington Street, Leeds, LS1 4JP
<b>Company directors:</b>	Howard Wetter
<b>Company secretary:</b>	HSJ Accountants LLP
<b>Shareholdings held by the directors and secretary:</b>	100%
<b>Date of the administration appointment:</b>	30 August 2013
<b>Administrators' names and addresses:</b>	Roger Gareth Hale, PricewaterhouseCoopers LLP, One Kingsway, Cardiff, CF10 3PW Robert Nicholas Lewis, PricewaterhouseCoopers LLP, One Kingsway, Cardiff, CF10 3PW
<b>Appointer's / applicant's name and address:</b>	Howard Wetter, Clampt House, Hazel Drive, Celtic Springs Business Park, Newport
<b>Objective being pursued by the Administrators:</b>	Objective (b): 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)
<b>Division of the Administrators' responsibilities:</b>	In relation to paragraph 100(2) Sch.B1 IA86, during the period for which the Administration is in force, any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time and all powers, discretions and functions shall be exercised jointly and severally
<b>Proposed end of the Administration</b>	Dissolution
<b>Estimated dividend for unsecured creditors:</b>	Nil
<b>Estimated values of the prescribed part and the company's net property</b>	Not applicable Prescribed part provisions will not apply as the floating charge was created prior to 15 September 2003
<b>Whether and why the Administrators intend to apply to court under Section 176A (5) IA86:</b>	Not applicable
<b>The European Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000 of 29 May 2000):</b>	The European Regulation on Insolvency Proceedings applies to this administration and the proceedings are main proceedings



### 3 Administrators' receipts and payments account

Amber Dudes Limited (in Administration) Administrators' abstract of receipts and payments			
Director's Statement of Affairs £	Period from 30 August 2013 to 28 February 2014 £	Period from 1 March 2014 to 27 August 2014 £	Total from 30 August 2013 to 27 August 2014 £
<b>FIXED CHARGE REALISATIONS</b>			
		3 150.00	3,150.00
39,103.00 Book debts subject to invoice financing	39,103.00		39,103.00
52,101.00 Goodwill	52,101.00		52,101.00
IPR/business records/contracts		497,000.00	497,000.00
Freehold property		500,150.00	591,354.00
	91,204.00		
<b>COSTS OF REALISATIONS / PAYMENTS</b>			
		(12,551.51)	(12,551.51)
Agents fees (post appointment)		(387.50)	(1,838.82)
Insurance	(1,451.26)	(7,589.17)	(8,502.17)
Legal fees and expenses	(913.00)	(318.50)	(518.50)
Management charges	-	(373.04)	(825.41)
Office Holder's disbursements	(452.37)	(75,388.00)	(108,415.00)
Office Holder's fees	(33,027.00)*	(25.00)	(25.00)
Security	-	(453.73)	(453.73)
Utilities	-	(3,184.46)	(3,184.46)
VAT irrecoverable	(35,843.63)	(100,270.97)	(136,114.60)
<b>DISTRIBUTIONS TO FIXED CHARGE CREDITORS</b>			
	-	(453,239.40)	(453,239.40)
<b>BALANCE OF FIXED CHARGE FUNDS</b>			
	55,360.37	(55,360.37)	0.00
<b>FLOATING CHARGE REALISATIONS</b>			
18,670.00 Book debts	14,914.12		14,914.12
Cash in hand	157.00		157.00
5,790.00 IT/deposit	5,791.00	-	5,791.00
10,305.00 Plant and Machinery	10,305.00	-	10,305.00
12,701.00 Stocks and Work in progress	12,700.00	-	12,700.00
Pre appointment VAT refund	-	7,279.39	7,279.39
Terminal loss relief claim	-	8,126.83	8,126.83
Rates refund	-	3,988.36	3,988.36
Refunds (other)	-	1,000.00	1,000.00
	43,867.12	20,394.58	64,261.70
<b>COST OF REALISATION / PAYMENTS</b>			
Agents disbursements (pre appointment)	(199.96)		(199.96)
Agents fees (pre appointment)	(1,200.00)	-	(1,200.00)
Bank charges	(37.47)	(157.78)	(195.25)
Legal disbursements	(85.00)	-	(85.00)
Legal fees (pre appointment)	(6,563.00)	-	(6,563.00)
Office Holder's fees (pre-appointment)	(12,727.75)	-	(12,727.75)
Office Holder's fees (post appointment)	(6,973.00)*	-	(6,973.00)
Statutory advertising	(75.37)	-	(75.37)
Storage costs	(579.54)	(756.40)	(1,335.94)
	(28,441.09)	(914.18)	(29,355.27)
<b>DISTRIBUTIONS TO PREFERENTIAL CREDITORS</b>			
Distribution to preferential creditors	-	-	-
<b>DISTRIBUTIONS TO FLOATING CHARGE CREDITORS</b>			
Distribution to secured creditors	-	(34,906.43)	(34,906.43)
<b>BALANCE OF FLOATING CHARGE FUNDS</b>			
	15,426.03	19,480.40	0.00
<b>UNSECURED CREDITORS</b>			
(189,528.00) Trade creditors	-	-	-
VAT Account	(11,031.92)	11,031.92	-
Balance held on high interest account	22,754.48	(24,848.05)	0.00
*Correction to an allocation error in previous report			

## 4 Expenses incurred in the period

A statement of expenses incurred by us as administrators between 1 March 2014 and 27 August 2014 is shown below

The statement provides an estimate of the expenses incurred and unpaid for the period. These are yet to be finalised and may be subject to adjustments before payment. It also excludes any potential tax liabilities that could be classed as an expense of the administration, as these will depend on the Company's position at the end of the tax accounting period

	Unpaid expenses as at 28 February 2014	Incurred in this period	Expenses paid in this period	Unpaid expenses
	£	£	£	£
Agents fees and disbursements	-	12,551 51	(12,551 51)	-
Bank charges	-	157 78	(157 78)	-
Insurance	1,451 26	387 56	(1,838 82)	-
Legal fees and expenses	4,435 00	3,154 17	(7,589.17)	-
Management charges	-	318.50	(318 50)	-
Office holders fees (see note 1)	34,054 60	41,333 40	(75,388.00)	-
Officer holders disbursements	307 76	65 28	(373 04)	-
Security	-	25.00	(25.00)	-
Storage costs	246 60	509 80	(756 40)	-
Utilities	-	453.73	(453.73)	-
	<b>40,495.22</b>	<b>45,951.49</b>	<b>(86,446.71)</b>	<b>-</b>

Note 1: The accrual represents the total time costs incurred to date as detailed in Section 5

## 5 Analysis of Administrators' time costs and Category 2 disbursements



Amber Dudes Limited - In administration

Analysis of time costs for the period to 27 August 2014

Aspect of assignment	Senior				Total hours	Time cost £	Average hourly rate £
	Partner	Director	Manager	Associate			
1 Strategy & Planning	-	-	1 45	-	5.50	934.00	169 82
2 Secured creditors	-	4 50	8 10	4.00	20.25	5,151.25	254 38
3 Assets	1 50	7 00	12.95	0 40	36.75	8,642.25	235 16
4 Creditors	-	-	-	0 50	1.30	197.50	151 92
5 Accounting and treasury	-	-	0 95	0.95	32.02	4,488.90	140 19
6 Statutory and compliance	1 00	4 50	7 30	11 50	47.45	9,494.25	200 09
7 Tax & VAT	-	-	15.95	3 00	52.05	9,818.75	188 64
8 Closure procedures	-	-	1 95	-	2.20	606.50	275 68
<b>Total for the period from 1 March 2014</b>	<b>2.50</b>	<b>16.00</b>	<b>35.57</b>	<b>20.35</b>	<b>197.53</b>	<b>39,333.40</b>	<b>199.14</b>
<b>Brought forward at 28 February 2014</b>					<b>344.90</b>	<b>74,054.60</b>	<b>214.71</b>
<b>Total</b>					<b>542.42</b>	<b>113,388.00</b>	<b>209.04</b>

Current Charge out rates per hour

pre 01 October 2013	285 00	285.00	235.00	235.00	155 00	105 00	105 00
post 01 October 2013	339 00	339 00	295 00	295 00	195 00	125 00	125 00

\* Statutory and compliance includes 9 hours of time not reported in previous period

\* It has been agreed with the secured creditor that £2,000 will additionally charged for closure costs

## 5 Analysis of Administrators' time costs and Category 2 disbursements

### Explanation of work undertaken

Earlier in this report and in our previous correspondence with creditors, we provided details on our strategy, progress to date and additional matters arising in the Administration. Earlier in this Section, we have included a table showing our time costs for the period, by grade of staff and area of work. This shows time costs of £39,333.40. The key elements of which are explained further below.

Area of work	Work undertaken in the period includes:
Strategy & Planning	<ul style="list-style-type: none"> <li>Case progression meetings</li> </ul>
Accounting and treasury	<ul style="list-style-type: none"> <li>Periodic bank reconciliations</li> <li>Payment of costs</li> <li>Account postings for realisations received</li> </ul>
Statutory and compliance	<ul style="list-style-type: none"> <li>Appointee and Manager Reviews</li> <li>Progress report preparation</li> <li>Insurance</li> <li>Other statutory and compliance matters such as bonding</li> </ul>
Assets	<ul style="list-style-type: none"> <li>Dealing with book debts and HIF position</li> </ul>
Creditor enquires	<ul style="list-style-type: none"> <li>Creditor correspondence</li> </ul>
Tax/VAT/Pensions/Employees	<ul style="list-style-type: none"> <li>Preparing, drafting and submitting quarterly VAT returns</li> <li>Final VAT return and annual adjustment</li> <li>Preparing and drafting the corporation tax return</li> <li>Reclaiming terminal loss relief and other refunds due</li> </ul>
Property	<ul style="list-style-type: none"> <li>Engaging and liaising with agents</li> <li>Discussions surrounding the offers and marketing process</li> <li>Sale documents</li> </ul>

### Hourly charge-out rates

The charge-out rates applicable to this case during the period are set out below. Time is charged to the Administration in units of not greater than six minutes.

Grade	Administrators' staff to 30 Sept 2013 £/hour	Administrators' staff from 1 Oct 2013 £/hour
Partner	285	339
Director	285	339
Senior Manager	235	295
Manager	235	295
Senior Associate - qualified	155	195
Senior Associate - unqualified	155	195
Associate	105	125
Support staff	105	125

Specialist departments within our firm (such as Tax, VAT, Property and Pensions) may charge a small number of hours if and when we require their expert advice. Such specialists' rates do vary but the figures above provide an indication of the maximum rate per hour.

All staff who work on this assignment (including cashiers, support and secretarial staff) charge time directly to the assignment and are included within any analysis of time charged. Each grade of staff is allocated an hourly charge out rate which is reviewed from time to time. Work undertaken by cashiers, support and secretarial staff is charged for separately and is not included in the hourly rates charged by partners or other members of staff.

## 5 Analysis of Administrators' time costs and Category 2 disbursements

### Disbursements

The table below shows the approved policy for charging the different categories of expenses, together with the costs incurred in the period.

Category	Policy	£
1	All disbursements not falling under Category 2 are recharged at cost	45 04
2	Photocopying - At 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying	0
3	Mileage - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	20.24
	<b>Total for the period</b>	<b>65.28</b>
	Brought forward total	760.13
	<b>Total disbursements</b>	<b>825.41</b>

### Legal and other professional firms

The following table lists the professional firms instructed on this case

Service provided	Name of firm / organisation	Reason selected	Basis of fees	Fees paid in this period (£)
Legal advice regarding the sale of the properties	Morgan Cole Solicitors	Expertise	Time costs	7,589.00
Property consultancy	ES Group	Expertise	Time costs	10,905 00
Utility agents	GMS	Cost	Fixed by meter	450 00
Rates refund	Exacta	Expertise	30% of realisations recovered	1,196 51

## 6 Pre administration costs

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We incurred the costs detailed below prior to our appointment, but with a view to the Company entering administration. It was proposed that the unpaid costs be paid as an expense of the administration. Such payments have been approved by the secured creditor. These have been paid.

	Paid amount (£)
Fees charged by us	12,727.75
Expenses incurred by us	-
Legal fees- Morgan Cole LLP	6,563.00
Legal disbursements – Morgan Cole LLP	85.00
Agents fees- Edward Symmons	1,200.00
Agents disbursements – Edward Symmons	199.96
<b>Total</b>	<b>20,575.75</b>

The tasks undertaken included.

- Completed the final sale negotiations in anticipation of the appointment of administrators
- Statutory planning work in relation to our appointment as joint administrators, including internal compliance.
- All necessary steps to be able to give the statutory confirmation that the objective of the Administration was reasonably likely to be achieved.