

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company

Tesla Exploration International Limited (In Administration)

Company number

03195445

In the

High Court of Justice, Birmingham District Registry,
Chancery Division

Court case number

8326 of 2016

(a) Insert full name(s)
and address(es) of
administrator(s)~~I~~ We (a) Tomislav Lukic and Samuel James WoodwardErnst & Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ

*Delete as applicable

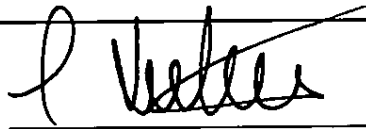
attach a copy of ~~my~~ our proposals in respect of the administration of the above company

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

(b) Insert date

(b) 8 November 2016

Signed



Joint / Administrator(s)

Dated

8 / 11 / 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 searchers of the public record

Katie Bradbury

Ernst & Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ

Tel 0117 305 7999

DX Number

DX Exchange

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

WEDNESDAY



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COMPANIES HOUSE

**Tesla Exploration International Limited
(In Administration)**

Administrators' statement of proposals

Pursuant to paragraph 49 of schedule B1 to the
Insolvency Act 1986

8 November 2016



Abbreviations

The following abbreviations are used in this report:

the Company	Tesla Exploration International Limited (In Administration)
DRC	Democratic Republic of Congo
the Group	IMC, TEHL, TEL and the Company
HSBC	HSBC Bank PLC
IMC	IMC Geophysics Limited
Liquidity Services	GoIndustry (UK) Limited
PSA	Profit sharing agreement
PWC	PricewaterhouseCoopers LLP
TEHL	Tesla Exploration Holdings Limited
TEL	Tesla Exploration Limited

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1. Introduction, background and circumstances giving rise to the appointment

1.1 Introduction

On 21 September 2016 the Company entered administration and T Lukic and S Woodward were appointed to act as Joint Administrators. This document, including its appendices, constitutes the Joint Administrators' statement of proposals to creditors pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986.

Certain statutory information relating to the Company and the appointment of the Joint Administrators is provided at Appendix A.

1.2 Background

The Company provided geophysical survey data to clients operating in the oil, gas and mineral exploration, civil engineering and environmental sectors. Its primary business was the acquisition of geophysical data from survey areas using specialist equipment, and the processing of this data.

The Company generated revenue by

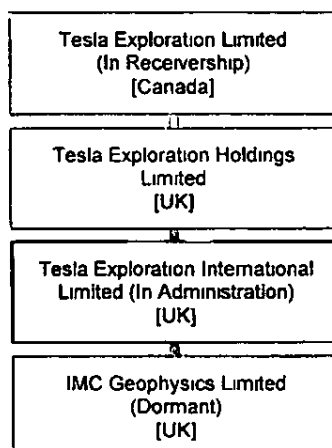
- Acquiring data on behalf of the client,
- Providing this raw data to the client,
- Processing raw data, and/or
- Interpreting processed data

The Company's head office was in Alfreton, UK but the Company operated internationally. As at the date of our appointment the most valuable plant and machinery assets were located in the UK, Dubai, Ethiopia and Uganda. These and other Company assets are considered in more detail in Section 2 of this report.

The Company is a wholly owned subsidiary of Tesla Exploration Limited ("TEL"), a company incorporated in Canada. On 25 July 2016 Receivers from Ernst & Young Inc. in Canada were appointed to TEL. The shares in the Company are held by TEL via a holding company, Tesla Exploration Holdings Limited ("TEHL").

The Company has one subsidiary, IMC Geophysics Limited ("IMC"), which is dormant and holds no assets or liabilities. The Joint Administrators have not been appointed to act over the subsidiary or parent companies. The structure of the immediate Group is presented on the next page.

At the date of our appointment the Company had 14 employees.



A number of connected party balances have arisen from transactions undertaken in the ordinary course of business, as follows

- c £9m (c \$15m CAD) is due from the Company to TEL in relation to charges for management fees and working capital. This is partially offset by an intercompany receivable of c £4.8m for equipment rental.
- c £0.9m (c \$1.5m CAD) is due from the Company to Tesla Exploration Partnership, being a subsidiary of TEL, for equipment rental.
- c £31k (c \$50k CAD) is due from the Company to Tesla Exploration Inc., being a subsidiary of TEL, for equipment and rental.

We are not aware of any connected party transactions involving the Company other than as outlined above.

Statutory accounts for the Company were audited by PricewaterhouseCoopers LLP ("PWC") and filed with the Registrar of Companies annually, up to and including the year ending 31 December 2014.

No statutory accounts or audit report were filed for the Company for the year ended 31 December 2015 due to the insolvency of the Company.

The recent financial results of the Company can be summarised as follows, based on the most recent audited financial statements:

Year ended	Type audited/draft	Turnover £000	Gross profit £000	Gross profit %	Directors' remuneration £000	Net profit/(loss) after tax £000	Accumulated reserves £000
31 Dec 2014	Audited	24,751	6,076	24.55	508	1,238	3,399
31 Dec 2013	Audited	19,782	2,600	13.14	400	(483)	2,161
31 Dec 2012	Audited	12,756	250	1.96	280	(2,184)	2,738

1.3 Circumstances Giving Rise to the Appointment of the Administrators

In the period leading up to the administration, the Company's cash flow came under increased pressure due to the combination of i) a downturn in demand for its services as a result of the challenging conditions in the wider oil and gas sector which led to reduced revenues, and ii) the Receivership of the Canadian parent company

Prior to the appointment of the Joint Administrators, EY were engaged by the Company and HSBC Bank Plc ("HSBC") on 31 August 2016, to review and comment on the short term cash flow forecast of the Company and to report on the options available

It was concluded that it was in the best interests of the Company and the Company's creditors to commence an accelerated sale process of the business and/or assets of the Company. The Directors of the Company had already begun an orderly wind down process of the business with all staff placed on notice of redundancy prior to our appointment

EY subsequently assisted the Company in approaching parties who had shown interest, or could potentially be interested, in purchasing the business and/or assets of the Company and to assess the offers received. Due to the specialist nature of the equipment and limited time available a wider marketing process (e.g. listing assets on industrial auctions websites) was not considered appropriate

In conjunction with the Company, EY approached 15 parties who were considered to have a strategic interest in the business and/or assets of the Company. Parties approached were both UK and International, reflecting input from the Directors as well as our EY oil and gas specialists. Of those parties approached, 11 were provided with an information pack to enable them to consider their interest and submit an offer

A sale was not considered deliverable pre-appointment due to the limited time available given funding pressures and the insolvent position of the business. Therefore, on 21 September 2016, with no party interested in acquiring the Company as a going concern and no funding for the ongoing cash requirements of the Company, the Directors concluded that it was appropriate for them to take steps to place the Company in to administration

The associated fees with respect to the engagements outlined above were partially paid by the Company prior to it entering administration. Section 6 of this document outlines costs relating to insolvency planning incurred by the Joint Administrators prior to 21 September 2016

2. Purpose, conduct and end of administration

2.1 Purpose of the administration

The purpose of an administration is to achieve one of three objectives

- a To rescue the company as a going concern
- b To achieve 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)
- c To realise property in order to make a distribution to one or more secured or preferential creditors

Insolvency legislation provides that objective (a) should be pursued unless it is not reasonably practicable to do so or if objective (b) would achieve a better result for the company's creditors as a whole. Objective (c) may only be pursued if it is not reasonably practicable to achieve either objective (a) or (b) and can be pursued without unnecessarily harming the interests of the creditors of the company as a whole.

It was unlikely that objective (a) could be achieved given the following factors

- The Company faced imminent cash flow insolvency and had extensive liabilities which were due
- The level of creditors substantially exceeded the value of the highest offer received for the business and/or assets pre-appointment. All offers or expressions of interest that had been received to the date of our appointment were on a business and/or assets only basis. No party had expressed an interest in a share sale prior to our appointment as Joint Administrators.
- The Company had insufficient funding available to implement a more fundamental restructuring of the business
- There was no immediately deliverable contract pipeline

It was considered likely that objective (b) could be achieved, for the following reasons

- Feedback from the pre-appointment sale process noted offers and expressions of interest in purchasing the Company's business and/or assets, either as a whole or as packages of assets in certain jurisdictions
- The statutory moratorium that is provided by the administration would provide the Company with a period of time to explore and complete any potential sale of the Company's business and/or assets

Should objective (b) not be reasonably practicable, the Administrator will seek to pursue objective (c) in order to make a distribution to the secured creditor, being HSBC, and the preferential creditors.

2.2 Conduct of the administration

Strategy

Following the appointment of the Joint Administrators, an assessment was made of the ongoing viability of the business and it was determined that it would not be possible to trade the Company's business as a going concern in the administration

Given the above, immediately upon our appointment eight employees were made redundant. Five employees were retained in the short term to assist with the orderly wind down of the business. All retained employees were subsequently made redundant by 30 September 2016. Staff costs incurred were funded from a temporary overdraft facility.

Following the appointment, the Joint Administrators continued to explore a sale of the business and/or assets of the Company with parties who had expressed an interest in this regard in the pre-appointment sale process.

Whilst one offer was received for the business and assets in the UK on a going concern basis, this was subject to up to two weeks due diligence and was at a lower value than other offers received on an asset only basis.

Asset realisations

Cash and cash equivalents

The Company had petty cash on appointment in 24 different currencies. Not all currencies are accepted for exchange by the major UK banks so realisations in this regard have amounted to £3,046.

No further realisations are anticipated in this regard.

Accounts Receivable (excluding contingent assets)

The books and records of the Company highlight trade debtors of c. £7.9m.

The largest individual debtor balance of c. £4.8m is due from TEL, the Canadian Parent company, which itself is subject to an insolvency process. From conversations with the Receivers we are of the understanding that due to the shortfall incurred by the primary secured creditor of TEL this debt is unlikely to be recoverable. We expect no realisations in this regard.

The Company has been in negotiations with two debtors, with outstanding amounts of c. £1.5m and c. £1.6m respectively, however it appears that both debtors may be insolvent. The Joint Administrators are making reasonable and proportionate efforts to collect these outstanding balances but any associated recoveries remain uncertain.

To date, we have collected £26,413 in relation to the remaining accounts receivable which were due to the Company as at the date of our appointment. A further debtor of c. £1k is outstanding and we have no reason to believe that this will not be recoverable. No further realisations are currently expected at this stage.

Property, Plant and Equipment

The assets of the Company primarily consist of plant and machinery located in the following jurisdictions

- UK
- Dubai
- Ethiopia
- Uganda
- Democratic Republic of Congo ("DRC")
- Somaliland

To assist with the sale of the assets an agent (Liquidity Services) was engaged to provide independent valuations of the assets of the Company split by jurisdiction

UK and Dubai assets

The UK and Dubai assets of the Company were sold on 30 September 2016 for £200,000 and £95,000 respectively. No further realisations are anticipated in this regard. VAT payable on the sale of the UK assets (£40,000) is included in our receipts and payments account at Appendix D.

Ethiopia and Uganda assets

We are in the process of exploring options to sell the Ethiopian and Ugandan assets. We are in detailed discussions with an interested party in relation to these. Further details will be provided in future progress reports. A sale of the Ethiopian assets is the first step towards realising a demobilisation fee, see below for further details.

DRC and Somaliland assets

We have had no offers for assets held in the DRC or Somaliland. Due to the low asset value and high costs of realisations these appear uneconomic to realise. This approach has been discussed and agreed with Liquidity Services. No further realisations are anticipated in this regard.

Contingent assets

The Company has c. £148k lodged at court in relation to a legal action against a debtor. Judgement is being pursued which, if favourable, should result in the Court Funds Office repaying this sum to the Company. Legal fees will be payable to the Company's lawyers only upon successful realisation of this asset.

The above Judgement relates to a debt of c. \$6.8m (c. £5.6m) owed to the Company. From conversations with the Directors of the Company and with the lawyer acting on the case it appears that the debtor may be insolvent. We are seeking to further clarify the financial position of this debtor.

A demobilisation fee of c. \$800k (c. £656k) is due to the Company on export of the Ethiopian plant and machinery, or on transfer of the assets off the Profit Sharing Agreement ("PSA"). It is currently attached to. However, if a successful demobilisation does occur, there remain further challenges to realising this amount. We are continuing to consider the position on the demobilisation fee and the possibility of recovering this balance.

We continue to work to realise the above contingent assets. However, due to the difficulties as outlined above, the success of the process remains uncertain, and whilst ongoing, may take some time to complete. Our fee estimate assumes realisation of the demobilisation fee.

Other income

Subsequent to the sale of the UK assets, vehicle tax refunds were received totalling £132

Cost of realisations

Wind down costs

During the administration £10,357 has been paid in relation to direct labour for staff retained from the date of our appointment until 30 September 2016, including associated tax, expenses and pension contributions

Trading costs relating to telephone costs totalling £99 have been paid

Agent fees of £5,000 have been paid in relation to the independent valuation of the Company's plant and machinery

Other expenses totalling £1,067 comprise stationary, print and postage, bank charges and interest and statutory advertising costs

VAT receivable of £1,037 relates to VAT on the above costs

Administration fees

No Administration fees or remuneration have been paid to date. Time costs incurred in the administration to 28 October 2016 amount to c. £167k as set out in further details in Appendix C

We currently anticipate that our fees in relation to the administration will not exceed c. £397k based on the assumptions outlined in the attached fee estimate document

For the avoidance of doubt, the Joint Administrators' remuneration, Category 2 disbursements and unpaid pre-administration costs incurred with a view to the Company entering administration will be agreed with the secured creditor and the preferential creditors in accordance with the provisions of Rule 2.106(5A) and Rule 2.67A of the Insolvency Rules 1986

Joint Administrators' receipts and payments

A summary of the Administrators' receipts and payments for the period from 21 September 2016 to 28 October 2016 is attached at Appendix D

Initial meeting of creditors

The Joint Administrators are of the opinion that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part and consequently, in accordance with the provisions of paragraph 52(1) of Schedule B1 to the Act, they do not intend to call an initial creditors' meeting

The Joint Administrators will be obliged to call an initial meeting of creditors if it is requested by creditors of the Company whose debts amount to at least 10% of the total debts of the Company. The request must be made within 8 business days of the date on which these proposals are sent out (or such longer period as the court may allow) and must be in the prescribed form. The creditor summoning the meeting must lodge with the Joint Administrators a deposit as security for the expenses of summoning and holding the meeting. Further information is provided in the covering letter accompanying these proposals

2.3 Future conduct of the administration

The following matters remain outstanding and will be dealt with in the administration going forward

- Continue with the proposed sale of the Ethiopian and Ugandan assets,
- Exploring options around realising the contingent assets,
- Collection of outstanding debtor balances where possible,
- Settle all administration liabilities,
- Perform statutory duties in relation to the Company Directors Disqualification Act 1986,
- Complete statutory returns to HM Revenue & Customs, including those in relation to VAT, Corporation Tax and employee returns,
- Make a distribution to one of more class of creditors, if there are sufficient realisations, and
- Comply with statutory obligations during the administration, including ongoing six monthly reporting to the Company's creditors

2.4 The end of the administration

It is proposed that, if at the end of the administration the company has no property, or no property left, which might permit a distribution to its creditors, the Joint Administrators will send a notice to that effect to the Registrar of Companies. On registration of the notice the Joint Administrators' appointment will come to an end. In accordance with the provisions of paragraph 84(6) of Schedule B1 to the Insolvency Act 1986 the company will be deemed to be dissolved three months after the registration of the notice.

Any prescribed part distribution will be made in the administration. If funds become available for unsecured non-preferential creditors other than via the prescribed part, it may be necessary for the company to move to creditors' voluntary liquidation or for a company voluntary arrangement to be proposed. Further details are set out below.

It is proposed that the Joint Liquidators will be Tomislav Lukic and Samuel James Woodward of Ernst & Young LLP and that any act required or authorised under any enactment to be done by the Liquidators may be done by either or both of them. In accordance with paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117A(2)(b) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of these proposals and before the proposals are approved. It should be noted in this regard that a person must be authorised to act as an insolvency practitioner in order to be appointed as Liquidator.

3. Statement of Affairs

The directors have submitted their Statement of Affairs as at 20 October 2016. A summary is attached at Appendix B.

The Statement of Affairs shows a deficiency as regards to creditors totalling c. £11.8m. I would comment that values shown do not include any costs of realisation and that a number of assets remain to be realised. Actual realisations may therefore differ to those indicated by the Directors.

Our comments on the Statement of Affairs are as follows:

Assets subject to fixed charge

The Company does not hold any fixed charge assets.

Assets subject to floating charge

- The Statement of Affairs estimates nil realisations in respect of cash and cash equivalents, compared to a book value of c. £11k. This appears consistent with the fact that the UK bank accounts of the Company were overdrawn and bank balances in foreign jurisdictions are minimal. As outlined in Section 2, petty cash held by the Company and in currencies accepted by the bank realised c. £3k.
- The Statement of Affairs estimates trade debtor realisations of c. £429k compared to a book value of c. £8.6m. As outlined in Section 2, there are a number of contingent assets and book debts which may prove irrecoverable. The likelihood of realising these contingent assets is subjective.
- The Statement of Affairs estimates that no realisations will be made from prepaid assets, compared to a book value of c. £136k. We are not aware of any prepayments which are realisable.

The Statement of Affairs estimates total realisations from property, plant and equipment of c. £500k, compared to a book value of c. £3.6m. Liabilities in relation to property, plant and equipment are likely to affect the resale and realisable value of the assets. As outlined in Section 2, realisations in respect of the assets held in the UK and Dubai have amounted to £200k and £95k respectively. We are currently in the process of exploring options in relation to the sale of the Ethiopian and Ugandan assets which have large liabilities attached which may impact on realisable value.

We provide below, for information, an indication of the current position with regard to creditors' claims. The figures have been compiled by Company management and have not been subject to independent review or statutory audit. A number of creditor claims have yet to be quantified and may be higher than indicated.

Secured creditors

The Statement of Affairs includes HSBC, the Company's principal secured lender, with indebtedness as at 21 September 2016 of c. £1.4m.

Preferential creditors

The Statement of Affairs includes a preferential creditor balance of c £44k, in respect of claims for holiday pay and pension contributions

Unsecured non-preferential creditors

Creditor claims continue to be submitted in this regard, however the Statement of Affairs estimates total unsecured non-preferential claims to be in the region of c £11.3m

4. Prescribed part

The prescribed part is a proportion of floating charge assets set aside for unsecured creditors pursuant to section 176A of the Insolvency Act 1986. The prescribed part applies to floating charges created on or after 15 September 2003.

The Joint Administrators estimate, to the best of their knowledge and belief, that

- ▶ The value of the Company's net property is c. £74K
- ▶ The value of the prescribed part is c. £18K, before the costs of dealing with the prescribed part.

The Joint Administrators do not intend to make an application to the court under section 176A(5) of the Insolvency Act 1986 for an order not to distribute the prescribed part.

5. Administrators' remuneration and disbursements and payments to other professionals

5.1 Remuneration

The statutory provisions relating to remuneration are set out in Rule 2 106 of the Insolvency Rules 1986. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Insolvency Practitioners Association at <http://www.insolvency-practitioners.org.uk> (follow 'Regulation and Guidance' then 'Creditors' Guides to Fees' then 'Administrators Fees (November 2011)'), or is available in hard copy upon written request to the Joint Administrators.

In the event that a creditors' meeting is not requisitioned and a creditors' committee is not formed, the Joint Administrators will seek to have their remuneration fixed by the secured creditor(s) and if the Joint Administrators have made or intend to make a distribution to preferential creditors, the preferential creditors in accordance with Rule 2 106(5A) of the Rules. The Joint Administrators will ask for their remuneration to be fixed on the basis of time properly given by them and their staff in dealing with matters arising in the administration.

Attached at Appendix C is a detailed analysis of time spent and charge out rates, for each grade of staff for the various areas of work carried out to 28 October 2016, as required by the Association of Business Recovery Professionals' Statement of Insolvency Practice No. 9.

The initial administration strategy was to explore a sale of the business and assets and if this was not achievable, the strategy was to move to a wind down of the business and a sale on an asset only basis.

As outlined in Section 2, a sale of the business and assets was not achievable in the time frame and a strategy to wind down the business and sell the assets on an asset only basis was implemented.

As outlined at Appendix C, the majority of the time spent to date is allocated to the following areas:

- **Other Assets** - since the date of our appointment, the plant and machinery assets held in the UK and Dubai have been sold for £200k and £95k respectively, with further realisations anticipated from the sale of the Ethiopian and Ugandan assets. Due to the nature of the work this has primarily been carried out by senior members of the Joint Administrator's team. Such work includes detailed negotiation with potential purchasers and legal advisors in order to facilitate a sale. Also included in this category is time spent towards discussions with debtors in relation to realising outstanding book debts and contingent assets, as outlined in Section 2.
- **Employee Matters** – employees were retained for a period of 9 days from the date of our appointment resulting in the administration of payroll and associated employee costs. Additional time costs have been incurred due to uncertainty regarding the employment status of certain individuals.
- **Accounting and Admin** – this has involved day to day case administration activities, including negotiations with the Bank in relation to arranging a temporary overdraft facility in order to meet the costs of retained employees. Other activities include cashiering, filing and general case monitoring and progression.

It is anticipated that time going forward will be spent undertaking our statutory duties, realising assets and settling claims. We will consider the position of the outstanding book debts and contingent assets, outlined in Section 2, and will take proportional steps to realise these where it is in the best interest of creditors.

5.2 Disbursements

Appendix C also includes a statement of the Joint Administrators' policy for charging disbursements. In the event that a creditors' meeting is not requisitioned and a creditors' committee is not formed, the Joint Administrators will seek the approval of the secured creditor and preferential creditors to charge Category 2 disbursements.

5.3 Payments to other professionals

The Joint Administrators have engaged the following other professionals to assist them. They were chosen on the basis of their experience in similar assignments.

Name of firm	Nature of service	How contracted to be paid
DLA Piper UK LLP	Legal advice in relation to sale of business, preparing documents, appointment matters and other legal advice	Time costs basis
Liquidity Services	Independent valuation of plant and machinery assets	Fixed fee

Details of the fees paid to date are included in the receipts and payments account attached at Appendix D.

6. Pre administration costs

The Administrators are seeking approval for payment of unpaid pre-administration costs totalling £19,556.50 plus VAT. The payment of unpaid pre-administration costs as an expense of the administration is subject to approval under Rule 2.67A, and not part of the proposals subject to approval under paragraph 53. This means that they must be approved separately from the proposals.

A breakdown of the total pre-administration costs incurred is attached at Appendix E, with details of the nature of the work performed, including

- ▶ Planning for the proposed administration, including discussions with the Company directors, staff and legal advisors,
- ▶ Preparation of documentation to support the immediate administration process,
- ▶ Assessing the administration strategy and its impact on the Company's cost base,
- ▶ Time spent on the planning and administration of employee related matters, and
- ▶ Time spent negotiating the potential sale of the business and/or assets with interested parties

This planning work was performed pre administration to ensure that the administration appointment was properly effected, to ensure that the administration ran smoothly and to progress a sale of the assets quickly once the Administrators were appointed.

The breakdown attached at Appendix E sets out

- ▶ The fees charged by the Joint Administrators,
- ▶ The expenses incurred by the Joint Administrators,

Please note there has not yet been any agreement for the payment of pre-administration costs incurred by the Joint Administrators.

In the event that a creditors' meeting is not requisitioned and a creditors' committee is not formed, the Joint Administrators will seek to have the unpaid pre-administration costs approved by the secured creditor and if the Joint Administrators have made or intend to make a distribution to preferential creditors, the preferential creditors.

Appendix A Statutory information

Company Information

Company Name	Tesla Exploration International Limited (In Administration)
Registered Office Address	c/o Ernst & Young LLP No 1 Colmore Square Birmingham B4 6HQ
Registered Number	03195445
Trading Name(s)	Tesla
Trading Address(es)	Unit 2 Nix's Hill Nix's Hill Industrial Estate Alfreton Derbyshire DE55 7GN

Details of the Administrators and of their appointment

Administrators	T Lukic and S Woodward
Date of Appointment	21 September 2016
By Whom Appointed	The appointment was made by the Company's Directors
Court Reference	8326 of 2016

Any of the functions to be performed or powers exercisable by the Joint Administrators may be carried out/exercised by any one of them acting alone or by any or all of them acting jointly

Statement concerning the EC Regulation

The EC Council Regulation on Insolvency Proceedings does apply to this administration and the proceedings are main proceedings. This means that this administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State

Share capital

Class	Authorised		Issued and fully paid	
	Number	£	Number	£
Ordinary A shares	520	520	520	520
Ordinary B shares	480	480	480	480

Directors and secretary and their shareholdings

Name	Director or Secretary	Date appointed	Date resigned	Current shareholding
Quinten Robert Bailey	Director	14 October 2015	-	-
Richard Roman Habiak	Director and Secretary	17 October 2007	-	-
Christopher Mark Rees	Director	24 April 2014	-	-
Christopher Keith Latham	Director	13 February 2013	-	-
David Hamilton	Director	24 February 2016	-	-

Appendix B Directors' statement of affairs

Statement of affairs

Name of Company

Tesla Exploration International Limited

Company number

03195445

In the

High Court of Justice, Birmingham District Registry,
Chancery Division

Court case number

8326 of 2016

(a) Insert name and
address of registered
office of the companyStatement as to the affairs of (a) Tesla Exploration International LimitedUnit 2 Nix's Hill, Nix's Hill Industrial Estate, Alfreton, Derbyshire, DE55 7GN

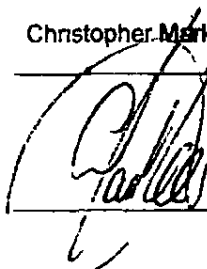
(b) Insert date

on the (b) 21 September 2016, 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 affairsof the above named company as at (b) 21 September 2016 the date that the company entered
administrationFull name Christopher Mark Rees

Signed



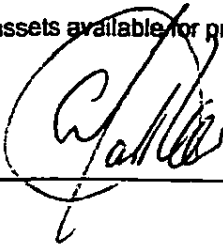
Dated

20th October 2016

A – Summary of Assets

	Book Value (£)	Estimated to Realise (£)
Assets		
Assets subject to fixed charge.	-	-
Liabilities subject to fixed charge	(1,417,734 30)	(1,417,734 30)
Deficiency to fixed charge creditors	(1,417,734 30)	(1,417,734 30)
Assets subject to floating charge		
Cash and Cash Equivalents	11,347 03	0 00
Accounts Receivable	8,616,646 17	429,303 91
Prepaid Assets	135,558 30	-
Property, Plant and Equipment	3,623,742 74	500,000 00
Uncharged assets		
Estimated total assets available for preferential creditors	12,387,294 24	929,303 91

Signature




Date

20th October 2016

A1 – Summary of Liabilities

		Estimated to realise (£)
Estimated total assets available for preferential creditors (carried from page A)	£	929,303 91
Liabilities	44,203 64	
Preferential creditors -		
Estimated deficiency/surplus as regards preferential creditors	£	885,100 27
Estimated prescribed part of net property where applicable (to carry forward)	180,020 00	
Estimated total assets available for floating charge holders	£	705,080 27
Debts secured by floating charges	1,417,734 30	
Estimated deficiency/surplus of assets after floating charges	£	(712,654 03)
Estimated prescribed part of net property where applicable (brought down)	180,020 00	
Total assets available to unsecured creditors	£	180,020 00
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	11,298,142 96	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£	(11,118,122 96)
Shortfall to floating charge holders (brought down)	(712,654.03)	
Estimated deficiency/surplus as regards creditors	£	(11,830,776 99)
Issued and called up capital	100 00	
Estimated total deficiency/surplus as regards members	£	(11,830,676 99)

Signature



Date

20th October 2016

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession

[illegible]

Signature

Daie

20th October 2016

ADM01B03

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No of shares held	Nominal Value	Details of Shares held
Tesla Exploration Ltd by its Trustee Ernst & Young Inc	2200 215 2 nd Street SW, Calgary, AB, T2P 1M4	520	£100	The immediate parent company is Tesla Exploration Holdings Limited, a company registered in England. The ultimate parent company and controlling party is Tesla Exploration Ltd, a company incorporated in Canada. Tesla Exploration Ltd Was placed into receivership on 25 July 2016 with Ernst & Young Inc acting as receiver.
TOTALS		520	£100	

Signature

Date

20th October 2018

Tools Exploration International Credit

Supplier	Address 1	Address 2	Address 3	Address 4	Post Code	PA GBP Amount
Advancing Health & Safety Ltd	62 Castlemeads	Highley Road	Stanton on Teme	Chewton	T11 7BA	2,240.00
Agri Agricoosecraft Green	Barnhouse Lane 2	15446 Redbank	Germany	Wandsworth	SW18 2TH	753.21
Al Midway	17 Quartz Avenue		North	High Wycombe	HP12 3XB	4,376.00
Almex	PO Box 1463	Wandsworth	London	South	SW18 2TH	2,544.74
Andrew J Pettit	A Tannock Place	Mutton Cross	Donfield	East Yorkshire	YO25 9BL	111.07
Angus, Ian	1 The Wey	Bracknell	Northants	Northants	NN17 4RS	7,900.00
Angus Insurance Brokers	PROFESSIONAL WAY	Off Ryegate Road	PO Box 4379	Q2000 Hudders	HD15 4YF	9,413.00
Antoni Puri Ltd	4502 East Kentland	Off Ryegate Street	Wid	Wid	W13 7SL	14,891.76
Antoni Puri & Support Services	PO Box 40	OS202 Aspley	Kings			18,344.54
Assured Security Systems	52 Newgate Lane	Manfield	Northants	Northants	NN16 2YU	132.00
AST Connections 1	Sarville House	Barnesley Way	Harveys Industrial Estate	Great Yarmouth	NY15 1LH	1,509.11
AST Connections 1	Sarville House	Barnesley Way	Harveys Industrial Estate	Great Yarmouth	NN31 0LX	1,246.94
AST Connections 1	Alcove Way	Widmore	Northants	Northants	LA2 7LW	4,389.00
Atlas Services Group	PO Box 48	OS202 Aspley	Kings			2,875.19
Automatic Data Processing (ADP)	Symond Place	Chertsey	Chertsey	Northants	NN16 9JT	4,502.38
Baybutt & Sons	Gerrards Mill Farm	136 Station Road	Easton	Leicestershire	LE19 7WU	4,330.00
Belmont Member Centre	88-70 Alfreton Road	South Norwotton	Alfreton	Derbyshire	DE55 2AS	9,155.43
Berrings Forwarders	Berrings House Plot 137	Robins Road	Kempala	Uganda		3,686.13
Blue 1st	PO Box 12	Colton	United Arab Emirates			20,140.00
BLM Games	PO Box 12	Colton	Worcester	Worcester	WR2 7UT	1,402.38
Boulton	9 Grove Court	Greave Park	Leicester	Leicester	LE19 1SA	4,540.29
Boulton, Susan	14, The College	Donby	Leicester	Derbyshire	DE5 8B3	4,181.00
BTS Cheung-Chi Forwarding	PO Box 279048	Plot 15 Clarendon Hill Road	Calcutta	Uganda		18,505.00
Buyl Concessions	11 Rainton Crescent	Altham	Calcutta on the Hill	Surrey	GU13 0DW	433.54
Charterhouse Ltd	14ounds Avenue	The Village	Calcutta on the Hill	Surrey	GU13 5LX	525.96
Civil Authority	200 Lechliffe Lane	Berry Hill	Manfield	Northants	NN16 4RG	114.00
Commercial & Specialised Drving	Units 1 & 8 Barnes Business Park	Barnack Road	Fradwell	Derbet	DE22 0UB	1,320.00
Concurrent Express Vouchers	The Pavilion	Briggwater Road	Briggwater	Briggwater	BS13 8AB	154.74
Conference Centre	Conferences Centre	36 Paradise Road	Northants	Northants	NN15 1SE	1.50
CreditSafe Business Solutions	Bryn House	Causton Business Park	Causton	Causton	CA13 9SG	4,443.00
Cuba Services	Felwell F John Business Centre	Moss Lane	Southwick	Cheshire	CW11 3BW	900.00
Derbyshire, Keith	4 Alington Carriages	Blackburn Newton	Derby	Derby	DE1 78Z	272.782
David Housland	43 Station Road	Walsden on Thames	Surrey	Surrey	GU12 2GB	7,550.00
Deering, Rm	97 Acton Road	Arncliffe	Northampton	Northants	NN15 7AA	6,586.00
Devi	City Centre	Malton	Carl	Northants	NN16 7LX	217.81
Demystify the Cloud	Devonshire House	73 Wilton Street	Derby	Derbyshire	DE1 1PE	4,444.00
DHL	178 180 Great South West Road	Houseside	Midlebury	Midlebury	SW19 9LP	248.00
Dharmu	Kinley Hill	Northants	Northants	Northants	NN16 8YB	7,026.00
Drivwell Ltd	Unit 1	Rotherham Close	Kilhampton	Shropshire	SH13 2RU	4,375.44
Drumby Via Mountain Marine	25 Birchwood Road	Paske	Donby	BM14 8AW	PE 474	5,618.00
ELNCH Group Ltd	Manor Drive	Peterborough	Uganda			962.37
Emech Akhonor	PO Box 134	Colton	Northants	Northants	NN16 9GQ	4,451.00
ENH Energy Solutions Ltd	PO Box 3010	Adida Ababa	Ethiopia			156,730.27
EON Data PVT	PO Box 102126	4 Knight Crescen	Kenya			1,316.00
EDGECH	London Road	36 Parson Road	Northants	Northants	NN14 8TS	183,954.00
Edgeland Elect	1113 Coltingham Lane	Stor or Road	Chesham	USA		760.00
Edwards Services	Units 8/7/8 Broadbank Park	West Hill Industrial Estate	Alfreton	Derbyshire	DE55 7YU	1,790.00
G & M Hartshorn	4 & 5 Keys Road	28400 Colgate Villaba	Madrid	Spain		7,540.27
Geoffrey Services	20 Eden Way	London Business Park	London	Bedfordshire	LUF 47Z	14,510.00
Geophysics GSD	Greenfield Lane 33	OS105 Leasing	Strommen	USA		184.74
Geostaff	15-79 Upper Lane	Lincoln	California 95444	USA		251.31
Golf Agency World	Twiggster Street	Hotel of Aston Building	Switzerland	Switzerland		12,390.00
Goldbourne Worldwide GmbH	Barnesley Road 96	4302 Zug	Germany	Chesham	SA8 5DG	5,513.00
Goodwin, David	129 Mansfield	129 Mansfield	Kenya			858.50
Heavide Oil & Gas	AO Mansfield Road	Box 10072	Kenya			549.500
Hill Dickinson LLP	The Balance	Colford Street	Shelfield	South Yorkshire	S1 2GU	164.44
Hire Trail	Newport Road	Alfreton	Alfreton	West Yorkshire	WV17 3NA	6,509.00
IO Marine Systems Ltd	Little	Colningham	Surrey	North Yorkshire	GU8 8B1	405.462
I & A P Ltd	Little	Colningham	Surrey	North Yorkshire	GU8 8B1	2,886.00
Ioan Bergmann	PO Box 105913	Edin Lane	Kenya			1,022.37
Jordan Mamey	New Harbour Road West	Kenya				24,151.14
Kennedy Travel (Y	The Kennedy Building	48 Victoria Road	Leeds	Derbet	BR15 4AU	21,354.00
Kenna Marica	Males Grey Court	Baskin	Essex	West Yorkshire	BS16 3AN	2,090.00
Landmark Information Group	5 2ndley Court	Baskin	Essex	West Yorkshire	BS16 3AN	2,090.00
Latham, Keith	5 Victoria Terrace	Baskin	Essex	West Yorkshire	BS16 3AN	2,090.00
Leopoldine (Y Zeeb)	Anglia House	Holly Park Walk	Cheshire	Derbyshire	DE55 5AD	86.00
Levenshaft & Waverley Education	St Peters Street	Suffolk	Cheshire	Derbyshire	DE55 5AD	86.00
Mineral Services	Plot 67A	Kenya				17,017.00
Mineral Services Ltd	Plot 67A	Kenya				17,017.00
Mineral Services Ltd	Plot 67A	Kenya				17,017.00
Mineral Services Ltd	Plot 67A	Kenya				17,017.00
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Mineral Services Ltd	Plot 67A	Kenya				17,017.00
Mineral Services Ltd	Plot 67A	Kenya				17,017.00
Mineral Services Ltd	Plot 67A	Kenya				17,017.00
Mineral Services Ltd	Plot 67					

Appendix C Statement of Joint Administrators' charging policy for remuneration and disbursements pursuant to Statement of Insolvency Practice No. 9

Charging and disbursement policy

Joint Administrator's charging policy for remuneration

The Joint Administrators have engaged managers and other staff to work on the administration. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters is charged to a time code established for the case. Time is recorded in units of six minutes. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown below, as are the current hourly rates used.

In this specific case we have agreed to charge our time based on hourly rates which represent a discount to our standard hourly charge out rates. Costs and rates summarised below reflect the agreed rates and not our full standard rates.

Analysis of time costs for the period up to 28 October 2016 covered by this report

Classification of work function	Hours				Total hours	Total time costs (£)	Total average (£)
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support			
Accounting & Administration	1.2	8.2	98.9	7.4	115.7	26,623.0	230.1
Bank & Statutory Reporting	10.0	0.0	29.0	0.0	39.0	10,520.0	269.7
Creditors	10.5	1.0	65.8	2.2	79.5	19,774.5	248.7
Debtors	0.5	1.0	10.1	0.0	11.6	2,805.5	241.9
Employee Matters	8.8	15.5	43.6	2.4	70.3	18,247.0	259.6
Immediate Tasks	1.3	15.0	37.2	0.0	53.5	13,406.5	250.6
Investigation & CDDA	0.0	0.0	8.5	0.0	8.5	1,955.0	230.0
Job Acceptance & Strategy	8.8	0.0	2.0	0.0	10.8	3,848.0	356.3
Legal Issues	0.0	0.0	1.7	0.0	1.7	391.0	230.0
Other Assets	27.0	11.0	32.2	0.0	70.2	20,991.0	299.0
Other Matters	0.0	0.2	2.5	0.0	2.7	633.0	234.4
Pre-Appointment	8.9	12.0	55.0	0.0	75.9	19,556.5	257.7
Property	0.0	0.5	16.3	0.0	16.8	3,894.0	231.8
Retention of Title	0.0	0.0	6.5	0.0	6.5	1,495.0	230.0
Sale of Business	0.0	0.0	34.2	0.0	34.2	7,866.0	230.0
Statutory Duties	3.0	0.0	33.0	0.0	36.0	8,745.0	242.9
Trading	0.5	0.0	10.4	0.0	10.9	2,584.5	237.1
VAT & Taxation	0.5	1.0	12.4	0.0	13.9	3,334.5	239.9
Total	81.00	65.40	499.30	12.00	657.70	166,670.00	253.41
Total costs incurred (£)	31,185.0	18,966.0	114,839.0	1,680.0			
Total average hourly rate (£)	385.00	290.00	230.00	140.00			

A table of agreed charge out rates (including tax specialists) in this administration

	Job title	Rates (£ per hour)
Partner / Director	Partner - regions	385
	Director	385
Manager	Assistant director	290
	Senior Manager-tax	290
	Senior executive	290
Other senior professionals	Executive	230
	Analyst	230
	Analyst - tax	230
Assistants & support	Account coordinator	140

Joint Administrators' charging policy for disbursements

Statement of Insolvency Practice No 9 divides disbursements into two categories

Category 1 disbursements are defined as specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No 9, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

Category 2 disbursements are charges made by the office holder's firm that include elements of shared or overhead costs. Statement of Insolvency Practice No 9 provides that such disbursements are subject to approval as if they were remuneration.

Category 1 Expenses

Accommodation	2,681 32
Subsistence	886 54
Travel	519 26
	<u>4,087 12</u>

Category 2 Expenses

Mileage	846 30
	<u>846 30</u>
Total	<u><u>4,933 42</u></u>

It is our policy, in line with the Statement, to seek approval for Category 2 disbursements before they are drawn. To date, the following Category 2 expenses have been incurred. It is proposed that the Joint Administrators be permitted to draw these expenses.

Nature of expense	Amount - £	Basis of charge
Mileage – firm's car	148.50	Mileage is charged at 10p per mile
Mileage – own car	697.80	Mileage is charged at 45p per mile

Appendix D Administrators' receipts and payments account for the period from 21 September 2016 to 28 October 2016

		Fixed charge	Floating charge	Total
	Realisable value as per Statement of Affairs	21 September 2016 to 28 October 2015	21 September 2016 to 28 October 2015	21 September 2016 to 28 October 2015
	£	£	£	£
Receipts				
Cash and cash equivalents	-	-	3,046	3,046
Accounts Receivable	429,304	-	26,413	26,413
Prepaid Assets	-	-	-	-
Property, Plant and Equipment	500,000	-	295,000	295,000
Other income	-	-	132	132
VAT Payable	-	-	40,000	40,000
	929,304	-	364,592	364,592
Payments				
Direct Labour	-	-	(10,357)	(10,357)
Trading	-	-	(99)	(99)
Agents Fees	-	-	(5,000)	(5,000)
Other expenses	-	-	(1,067)	(1,067)
VAT receivable	-	-	(1,037)	(1,037)
		-	(17,560)	(17,560)
Balance in hand		-	347,032	347,032

Notes

- 1 Receipts and payments are stated net of VAT

Appendix E Statement of pre-administration costs

Statement of pre-administration costs

	Administrator		Details
	Remuneration £	Expenses £	
Time costs			
Preparation for Insolvency	9,866 50	-	Job acceptance, appointment, statutory issues and strategy
Employee matters	1,495 00	-	Planning and administration
Negotiations with interested parties for potential sale of the business and/or assets	8,195 00	-	As described opposite
Total costs incurred	19,556 50	-	
Unpaid pre-administration costs	19,556 50	-	

Unpaid pre-administration costs are costs which had not been paid at the date of administration are still outstanding and are subject to approval under Rule 2.67A of the Insolvency Rules 1986

Unpaid pre-administration costs are not part of the proposals subject to approval under paragraph 53 of Schedule B1 of the Insolvency Act 1986. This means that they must be approved separately from the proposals. Further information on the way in which approval will be sought for unpaid pre-administration costs is set out in section 6 of this document.

Further information on the nature of the costs incurred is provided in section 6 of this document.