

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

Name of Company

JDF Venture Management Limited

Company number

03595471

In the
Nottingham County Court

(full name of court)

Court case number
1191 of 2005(a) Insert full
name(s) and
address(es) of
administrator(s)

I Tyrone Shaun Courtman
Cooper Parry LLP
14 Park Row
Nottingham
NG1 6GR

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

having been appointed administrator of

JDF Venture Management Limited
14 Park Row
Nottingham
NG1 6GR

(c) Insert date of
appointment

on 28th October 2005
by Nottingham County Court
hereby give notice that:

(d) insert name of

appointor/applicant
(e) Insert name(s)
and address(es) of
liquidator(s)

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is
proposed that:

Tyrone Shaun Courtman
Cooper Parry LLP
14 Park Row
Nottingham
NG1 6GR

will be the liquidator(s) of the company (IP No(s) 7237)

I attach a copy of the final progress report

Signed

Administrator

Dated

7 September 2006

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.

Tyrone Shaun Courtman
Cooper Parry LLP
14 Park Row
Nottingham
NG1 6GR

Telephone 0115 958
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COOPER ■ PARRY

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To All Known Creditors

Our ref: TSC/JDD/ZJ302/B8&R8

When telephoning please ask for
Jonathan Davis

7 September 2006

Dear Sirs

JDF Venture Management Limited – In Administration (“Venture Management”)
Registered number: 03595471
Registered Office: Cooper Parry LLP, 14 Park Row, Nottingham, NG1 6GR
In the Nottingham County Court Number 1191 of 2005
Administrator's Final Report to Creditors pursuant to Rule 2.117 of the Insolvency (Amendment) Rules 2003

1. INTRODUCTION

- 1.1 Tyrone Shaun Courtman and Shaun Neil Adams of Cooper Parry LLP, 14 Park Row, Nottingham, NG1 6GR were appointed Joint Administrators of Venture Management on 28 October 2005 by the director. All functions being exercised by any or all of the persons appointed.
- 1.2 A Creditors' Committee was established at the meeting of Creditors held on 5 January 2006 to assist the Joint Administrators in discharging their function.
- 1.3 You will recall that at the meeting of creditors held on 5 January 2006 our proposals were to place Venture Management into Creditors Voluntary Liquidation at a time when we determined it to be appropriate, which we now consider to be the case.
- 1.4 Incorporated herewith is our final progress report to 7 September 2006, being the date our moving Venture Management from Administration to Creditors Voluntary Liquidation. In the Administrators' original proposals, it was proposed that Tyrone Shaun Courtman and Shaun Neil Adams of Cooper Parry LLP, 14 Park Row, Nottingham, NG1 6GR be appointed as Joint Liquidators, pursuant to rule 2.117(2) of the Insolvency (Amendment) Rules 2003. However, as Shaun Adams ceased to be a partner with Cooper Parry LLP on 30 April 2006 and has now emigrated, the change in personal circumstances precludes or makes it impractical for him to act as Liquidator, and consequently Tyrone Courtman will act as sole Liquidator.

Cont/d...

- 1.5 This Report has been prepared pursuant to Rule 2.47(4) of the Insolvency (Amendment) Rules 2003 and incorporates the period from 24 May 2006, the date of my previous report to you, to 7 September 2006.

2. ENCLOSURES

Creditors are being sent with this report:

Appendix

- | | |
|---|-----|
| • Administrator's Abstract of Receipts & Payments for the period
28 October 2005 to 7 September 2006 | I |
| • Estimated outcome statement | II |
| • Reconciliation of assets available for distribution from 24 May 2005
to 7 September 2006 | III |
| • Administrator's remuneration notification | IV |
| • Revised summary of charge out rates and category 2 disbursements | V |
| • Form 2.34B | VI |

3. ADMINISTRATOR'S ABSTRACT OF RECEIPTS AND PAYMENTS

Enclosed at Appendix I is a copy of the Administrator's Abstract of Receipts and Payments for the period 28 October 2005 to 7 September 2006. Further details regarding the most pertinent items are detailed in this report.

4. ASSET REALISATIONS

4.1 Loan to JDF Group Limited

The Group's principal asset, the property situated on Chaucer Street, Nottingham was realised for £490,000 and the debt due to the secured creditor, HSBC Bank Plc, has been repaid. Steps are being taken to place the company into Liquidation so that a dividend can be paid to unsecured creditors. In my previous report to you I anticipated that the dividend receivable would amount to circa £191k, however I now anticipate that it will be circa £141k. The principal reason for the decrease is that HSBC's settlement figure amounted to £305k, against £272k previously anticipated, due primarily to interest accrued on the balances of £15k and a management charge of £14k. The management charge was applied in respect of management time incurred in monitoring the company's position and Bank's security from May 2005 to the date of sale. A reconciliation of the assets available for distribution estimated at 24 May 2006 and 7 September 2006 is attached at Appendix III.

4.2 Loan to JDF Management Limited

Following my previous report to you the continued operations with contractors and invoicing of permanent placements has ceased resulting in a final surplus of £32,753, and book debt collections amounted to £121,486 after successful pursuit of the outstanding debts. Steps will now be taken to place the company into Liquidation so that a dividend can be paid to unsecured creditors. I anticipate that the dividend receivable will amount to circa £3k.

Cont/d...

4.3 Other Loans

In the Joint Administrators proposals made to you on 16 December 2005, I anticipated a 50% recovery of the other loans made to third parties. However, the validity of the loans has been contested and consequently no collections have been made to date. I am currently taking legal advice in relation to the recovery of these loans but, as a measure of prudence, I have attributed no value to them in the estimated outcome statement.

5. COSTS OF REALISATION

Payments to 7 September 2006 as detailed in the Abstract of Receipts and Payments amount to £3,691. The majority of payments are self explanatory. Detailed below is an explanation of the principal items:

5.1 Legal Fees

An invoice has been received from Berryman Solicitors in respect of work carried out to effect the appointment of Administrators amounting to £2,162 plus VAT. This will be paid once sufficient funds have been accumulated by way of dividend from JDF Group Limited and JDF Management Limited.

5.2 Administrator's Fees

See Section 6 below

5.3 VAT

The charge for VAT is not recoverable as the company is not VAT registered.

6. ADMINISTRATOR'S REMUNERATION

My firm's time costs to date in dealing with this matter total £39,584, against which £3,000 has been drawn to date. The total includes costs of £6,720 in relation to investigation matters requested by the creditors' committee which I have received authority to draw. I proposed further investigation work to the value of £2,000, which was rejected by the creditors committee by two votes to one. The average hourly rate charged amounts to £152.83. I attach at Appendix III my remuneration notification which gives an explanation of my firms charging disbursement policies, a description of the work conducted by my firm, a summary of time spent and disbursements paid, together with a schedule of my firm's charge out rates.

7. PREFERENTIAL CREDITORS

There are no preferential creditors as the company had no employees.

8. UNSECURED CREDITORS

Unsecured creditors are currently estimated to amount to £969k. The process of agreeing claims will only formally take place once the company has been placed into Liquidation for the purposes of paying a dividend to unsecured creditors.

Cont/d...

9. INVESTIGATION MATTERS

9.1 Following my previous report to you I summarise the position in respect of each of the investigation matters raised by the creditors committee, as follows:-

9.1.1 Statement of financial position

The shortfall in funds to shareholders of £898k was explained primarily through the trading losses suffered by JDF Management of £582k and JDF Group of £272, with £471k of those losses being suffered in 2002 and 2003. Further analysis of losses has not been requested.

9.1.2 Company bank accounts

A review of company records has not identified the existence of any additional bank accounts for the companies that I was not already aware of. No further work is considered necessary in this matter.

9.1.3 Credit card transaction

No apparent abuse of company credit cards for private purposes was identified, nor were any other likely assets of significance identified. No further work is considered necessary.

9.1.4 Brymar Limited

A lack of complete records and lack of statutory requirements being placed on a company based in the Isle of Man have made it difficult for the Administrator to determine the whereabouts of funds relating to Brymar, although it has been established that the company was dissolved in June 1997 and its bank account closed in August 2002.

The creditors committee were given the option to extend the Administrators further work in this area, which was declined by the committee.

9.1.5 Monies expended on the set up on JDF Technical Services (Technical)

It was established that circa £52k of JDF Group's funds were utilised for the purposes of setting up JDF Technical. No directors are currently appointed over Technical, and it does not appear to hold any assets, and consequently no further action is considered worthwhile in respect of this matter.

9.1.6 Advisors to the Group

No information has been received to indicate that any of the company's advisors resigned as a result of unusual circumstances.

9.2 The creditors committee have not authorised my firm to expend further time on investigation matters and therefore I have limited my firm's time in this area to the follow up of previous queries and responding to the queries of creditors.

9.3 As you are aware a bankruptcy order was made on 28 April 2006 over the estate of C D Ellis. After obtaining the support of the principal creditor of the estate, I was appointed Trustee of the Estate in Bankruptcy by the Secretary of State on 30 June 2006.

Cont/d...

- 9.4 Since my appointment my firm have taken control of the records of the deceased and commenced the realisation of assets in the estate. Review of the records is ongoing in an attempt to establish further assets for the benefit of the creditors of the estate. It is not currently possible to determine whether the level of assets available will warrant the making of an action by the Liquidator against the deceased director for misfeasance in relation to the loaning of monies to JDF Group Limited without adequate security.

10. ESTIMATED OUTCOME STATEMENT

Attached at Appendix II is my estimated outcome statement, which has been prepared from information presently available to the Administrator and incorporates estimated future realisations, costs and expenses. The statement indicates that a dividend of approximately 7p in the £ will be available to the unsecured creditors. This has fallen due primarily to the reduced value of the principal asset, the loan from JDF Group Limited, affected by the final charges and interest levied by HSBC Bank plc. In order to illustrate the movement in estimated dividend since my previous report to you, I attach at Appendix III a reconciliation of the movement in the assets available for distribution of Venture Management and also Group from 24 May 2006 to 7 September 2006.

11. MATTERS OUTSTANDING FOR THE LIQUIDATOR TO DEAL WITH

- 11.1 Steps are being taken to place the company into Creditors' Voluntary Liquidation with a view to effecting a distribution of funds remaining to creditors as soon as practicable after the Notice of Intention to Declare a Dividend has been served and elapsed.
- 11.2 The Liquidator will need to establish whether there are any causes of action against the estate of the company's deceased director Mr C D Ellis, and if so, to consider whether it will be economic to bring such an action.

12. CONCLUSION

Following this report the company will be placed into Creditors Voluntary Liquidation.

If you have any matters you wish to discuss please do not hesitate to contact Jonathan Davis who has day to day conduct of this case.

Yours faithfully
For and on behalf of
JDF Venture Management Limited – In Administration



Tyrone Courtman
Administrator

Enclosures

**JDF Venture Management Limited
(In Administration)**

**Administrator's Abstract Of Receipts And Payments
To 07 September 2006**

	Fixed Charge £	Floating Charge £	Total £
RECEIPTS			
Cash at Bank		5,596.67	5,596.67
Bank Interest Gross		59.06	59.06
	0.00	5,655.73	5,655.73
PAYMENTS			
Administrators Fees		3,000.00	3,000.00
VAT		549.72	549.72
Statutory Advertising		141.30	141.30
	0.00	3,691.02	3,691.02
Balances in Hand	0.00	1,964.71	1,964.71
	0.00	5,655.73	5,655.73

JDF VENTURE MANAGEMENT LIMITED - IN ADMINISTRATION
ESTIMATED OUTCOME STATEMENT AS AT 7 SEPTEMBER 2006

Appendix II

	Realised to Date £	Realisable £	Estimated Outcome £
ASSETS NOT SPECIFICALLY PLEDGED			
Cash at Bank	5,597	0	5,597
Bank Interest Gross	59	100	159
Owed by JDF Group Ltd	0	141,350	141,350
Owed by JDF Management Ltd	0	3,244	3,244
Owed by Director / JDF Financial	0	0	0
Other Loans	0	0	0
Other Debtors	0	0	0
Interest on Other Loans	0	0	0
ESTIMATED ASSETS AVAILABLE TO PREFERENTIAL CREDITORS	5,656	144,695	150,351
ESTIMATED COST OF ADMINISTRATION			
Administrators Fees	(3,000)	(42,000)	(45,000)
Liquidators Fees	0	(15,000)	(15,000)
Legal Fees	0	(5,000)	(5,000)
Re-direction of mail	0	(22)	(22)
Statutory Advertising	(141)	(200)	(341)
Other Property Costs	0	(1,000)	(1,000)
Bond	0	(200)	(200)
Contingency	0	(1,000)	(1,000)
Irrecoverable VAT	(550)	(11,060)	(11,610)
ESTIMATED ASSETS AVAILABLE TO UNSECURED CREDITORS	1,965	69,213	71,178
UNSECURED CREDITORS			
Owed to JDF Group Ltd	0	(400)	(400)
Investors	0	(966,777)	(966,777)
Accuals and Deferred Income	0	(1,645)	(1,645)
ESTIMATED SURPLUS/(DEFICIENCY) AS REGARDS UNSECURED CREDITORS	1,965	(899,609)	(897,644)
Approximate Dividend Payable to Unsecured Creditors		p in the £	7.3

JDF VENTURE MANAGEMENT LIMITED - IN ADMINISTRATION
RECONCILIATION OF ASSETS AVAILABLE FOR DISTRIBUTION
FROM 24 MAY 2006 TO 7 SEPTEMBER 2006

Appendix III

	£000	£000	Anticipated Dividend p in £
Estimated Assets Available to Unsecured Creditors at 24 May 2006		125	13
(Decrease) in dividend due from JDF Group Ltd		(42)	
(Decrease) in other loans and interest		(12)	
Estimated Assets Available to Unsecured Creditors at 7 September 2006		<u>71</u>	7
 Estimated Unsecured Creditors		 969	

**REMUNERATION NOTIFICATION
FOR THE PERIOD 28 OCTOBER 2005 TO 3 SEPTEMBER 2006**

Case Name:	JDF Venture Management Limited	
Office Holder(s):	Tyrone Shaun Courtman	
Firm:	Cooper Parry LLP	
Address:	14 Park Row Nottingham NG1 6GR	
Telephone:	0115 958 0212	
Reference:	C/TSC/JDD/ZJ302	
Type of Appointment:	Administration	
Date of Appointment:	28 October 2005	

CONTENTS

Section:

1. Case overview
2. Description of work carried out
3. Summary of time spent
4. Summary of category 2 Disbursements paid

1. CASE OVERVIEW

At the meeting of creditors on 5 January 2006 it was resolved that the office holders' remuneration be based on time costs incurred in dealing with the case.

The office holders' report dated 6 September 2006 outlines the case strategy and conduct of the case. In particular, the following matters have had an impact on the time spent:-

- Significant discussions with creditors in relation to the conduct of the director and investigate findings

2. DESCRIPTION OF WORK CARRIED OUT

a) Administration and Planning

Case Planning

Setting initial case strategy taking into account the specific circumstances of the case and instructing staff accordingly

Periodic review of case strategy and varying strategy as appropriate in the light of case progress

Liasing with creditors/creditors' committee on proposed strategy and obtaining approval to proposals

Conducting regular file reviews to ensure compliance to identify any other matters requiring attention

Considering the requirement for solicitors and assessing the appropriate firm to be instructed

Giving instructions for legal advice to be sought

Liasing with solicitors with regard to strategy for legal action

Considering the basis of proposed legal fees

Reviewing the contents of accounts submitted by solicitors in the light of work carried out and outcome achieved

After due consideration of legal fees, reaching agreement as to the amount properly chargeable to the case

Obtaining approval for action taken via the creditors committee

Administrative Set-up

Dealing with case set-up as required under the IPS system

Obtaining Specific Penalty for the appropriate sum

Conducting regular reviews to reconsider level of Specific Penalty required and obtaining increases where appropriate

Reviewing company records and preparing detailed summary of records held

Making arrangements for storage and retrieval of records from time to time

Obtaining re-direction of mail and reviewing re-directed mail throughout the period of re-direction

Dealing with general correspondence arising on the case from time to time.

Appointment Notification, Filing and Advertising

Dealing with initial requirements for notification of appointment, with the Registrar of Companies

Arranging for notification of appointment and notice to creditors in local paper and the London Gazette

Notification of appointment to creditors

Notification of appointment to company advisors, including solicitors, auditors, insurance brokers and bankers

Filing Administrators Proposals and meeting result in Court and with Registrar of Companies

Maintenance of Records

Maintaining financial records in accordance with provisions of Regulation 17
Maintaining and reviewing Practitioner Record in accordance with provisions of Regulation 15
Opening Administration bank accounts and processing transactions in relation to funds received and payments made
Dealing with relating filing and processing requirements

Statutory Reporting

Reporting in accordance with Paragraph 49 of Schedule B1 of IA86 & circulating report to creditors and members
Convening meeting to consider report
Attending first meeting of the Creditors' Committee and reporting on the background to the case
Reporting to the Creditors' Committee at six monthly intervals and obtaining sanctions and postal resolutions as appropriate
Sending receipts and payments account to creditors at half yearly intervals

b) Investigations

Review of the contents of SIP2 and consideration of investigation strategy
Review of company records and requests to creditors for information to identify any matters requiring further detailed examination
Review of investigation strategy in respect of the following specific areas of investigation:-

- Provide a statement of overall 'group' assets and liabilities
- Identify, review and understand the company bank accounts
- Review credit card transactions for the previous 12 to 18 months
- Investigate Brymar Limited
- Investigate the turnaround of company advisors
- Review total spending on JDF Technical Limited ("JDF Technical")
- Overview of expenditure
- Potential actions to recover sums against the estate of Mr C D Ellis

Reporting to and liaising with the Creditors' Committee on matters arising and obtaining sanction for action to be taken

c) Creditors

Communications with Creditors

General correspondence and telephone conversations with creditors to update on dividend prospects and response to general enquiries
Receipt and acknowledgement of claims

Creditors' Claims

Corresponding with the Inland Revenue with regard to pre-Administration taxation matters to enable a Corporation Tax liability or potential refund to be quantified
Scheduling claims received from creditors
Collating and scheduling information in respect of investors monies outstanding

3. SUMMARY OF TIME SPENT IN THE PERIOD 28 OCTOBER 2005 TO 3 SEPTEMBER 2006

	HOURS SPENT					TOTAL COSTS £:	AVERAGE HOURLY RATE £:
	Partners/ Directors	Manager	Other/Senior Professionals	Assistants & Support Staff	Total		
Admin and Planning	8.9	22.3	32.8	22.5	86.5	10,193.10	117.84
Investigations	7.3	45.9	1.5	1.4	56.1	10,295.50	183.52
Realisation of Assets	1.7	8.7	1.4	2.4	14.2	2,249.00	158.38
Trading	-	-	-	-	-	-	-
Creditors	13.3	63.2	18.3	7.4	102.2	16,846.50	164.84
Total Hours	31.2	140.1	54.0	33.7	259.0		152.83
Total Costs						39,584.10	

4. SUMMARY OF CATEGORY 2 DISBURSEMENTS PAID

Type and Purpose:	£:
Photocopying	
Telephone & Faxes	
Mileage	
Meeting Rooms	
Total	£

**COOPER PARRY LLP – BUSINESS RECOVERY AND INSOLVENCY
CHARGING AND DISBURSEMENT RATES AND POLICIES**

1.1 Standard Hourly Rates with effect from 1 May 2006

	£:
Partner/ Director	250-300
Senior Manager/Consultant	225
Manager/Assistant Manager	150-205
Insolvency Administrator	100
Cashier	75
Administrative and Support	40-65

1.2 Uplifts on Standard Hourly Rates

In some instances where there is undue risk to the firm in recovering its standard hourly rates in full, typically as a consequence of the pursuit of causes of action where the outcomes are far from certain, or where there are considered to be undue risks associated with the conduct of an assignment, then approval for a % uplift on standard hourly rates may be sought. The % uplift sought will vary depending upon the circumstances of each case.

1.3 Charging Policies

Time is recorded and charged to the case in units of not less than 6 minutes.

Where possible work is delegated to staff with the appropriate experience and charge out rate.

Time spent by all grades of staff are charged to the case.

It is the firm's policy to revise its charge out rates on an annual basis. Details of rates are available on request and will be circulated with statutory reports to creditors and to the Creditors' Committee (if constituted).

2.1 Category One Disbursements (payable at cost)

External record storage, retrieval, destruction and archive boxes

Postage, stationery and files

Advertising

Legal and professional fees

Specific penalty bond

Insurances

External room hire

2.2 Category Two Disbursements (rates chargeable)

Photocopying	10p per sheet
Telephone and faxes	£1 per each debtor and creditor
Mileage	40p per mile
Use of small meeting room	£50 per half day
Use of large meeting room	£100 per half day

2.3 Disbursement policies

Category one disbursements represent payments made to Cooper Parry LLP in respect of the specific costs incurred attributable to the case.

Category two disbursements are paid to Cooper Parry LLP calculated on the rates set out above which are reviewed on an annual basis. Details of revised rates are available on request and will be circulated with statutory reports to creditors and to the Creditors' Committee (if constituted).

3.0 Legal and professional fees

Proposed fees are reviewed to consider work undertaken and its effectiveness.

Where proposed fees are considered to be excessive, a reduction in the fee payable is negotiated.

Category One Disbursement Costs

	@ 1/5/04 £	@ 1/5/05 £	@ 1/5/06 £
Bankers Box	1.95	2.15	2.15
Storage	3.18 per box pa	3.40	3.36
Retrieval from Storage	5.00 per box	6.84	3.44
Destruction fee	3.50	3.76	3.76
Lever Arch File (inc Index)	2.00 each	2.00 each	2.00 each
Postage	cost	cost	cost
Standard Envelope	7.4p each	8.6p each	8.6p each
Large Envelope	13.2p each	14.2p each	14.2p each
Letterhead	5.5p each	5.5p each	5.5p each