

Administrator's progress report 2.24B

Name of Company ASL Media Limited	Company Number 03988685
In the High Court of Justice <div style="text-align: right;">[full name of court]</div>	<i>For court use only</i> Court case number 20054 of 2009

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

We (a) William Antony Batty and Stephen John Evans of Antony Batty & Company LLP of 3 Field Court, Gray's Inn, London, WC1R 5EF

administrator(s) of the above company attach a progress report for the period

(b) Insert date

from

(b) 2 November 2009

to

(b) 1 May 2010

Signed

Dated

28 May 2010

Joint Administrator(s)

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.

Antony Batty & Company LLP

Swan House, 9 Queens Road, Brentwood, Essex CM14 4HE

Tel 01227 230 347

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

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29/05/2010

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COMPANIES HOUSE

ANTONY BATTY & COMPANY LLP
Licensed Insolvency Practitioners

Swan House
9 Queens Road
Brentwood
Essex
CM14 4HE
Telephone: 01277 230 347
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To All Known Creditors

28 May 2010
Ref ASL\HJ\25

Dear Sir


ASL MEDIA LIMITED – IN ADMINISTRATION
COMPANY NUMBER: 03988685

**ADMINISTRATORS' REPORT TO CREDITORS PURSUANT TO RULE 2.47 OF THE
INSOLVENCY RULES 1986**

Further to my previous reports, please find enclosed my progress report on the administration pursuant to Rule 2.47 of the Insolvency Rules 1986 for the period of 2 November 2009 to 1 May 2010

Please do not hesitate to contact me if you require further information

Yours faithfully,


W A Batty
Joint Administrator

The affairs business and property of the Company are being managed by the Administrators who act as the Company's agent

WA Batty & S Evans are licensed as Insolvency Practitioners in the UK by The Institute of Chartered Accountants in England & Wales under S 390 (2) of the Insolvency Act 1986 W A Batty & S Evans act and contract as Administrators without personal liability

Antony Batty & Company LLP is a limited liability partnership registered in England and Wales at 3 Field Court, Gray's Inn, London WC1R 5EF with registered number OC 326854

ASL MEDIA LIMITED - IN ADMINISTRATION

ADMINISTRATORS' PROGRESS REPORT TO CREDITORS

CONTENTS

- 1 Statutory Information
- 2 Details of appointment of the Joint Administrators
- 3 The Administrators' Proposals
- 4 Progress of the Administration
- 5 Other Matters

Appendices

- I** Joint Administrators' Receipts and Payments account
- II** Summary of Administrators' time costs

ASL MEDIA LIMITED - IN ADMINISTRATION

1. STATUTORY INFORMATION

Company Number:	03988685
Date of Incorporation	09/05/2000
Registered Office	3 Field Court, London, WC1R 5EF
Formerly	242B Blackfriars Road, London SE1 9UF
Principle business activity	Advertising

2. DETAILS OF APPOINTMENT OF THE ADMINISTRATOR

Names of Joint Administrators	William Antony Batty & Stephen John Evans
Charge holders	None
Date of Appointment:	2 November 2009
Court:	High Court of Justice
Court reference.	20054 of 2009
Person(s) making appointment	Gary Truman, Director, on behalf of the Board
Acts of Administrator	The Administrator acts as officer of the Court and agent for the Company without personal liability. All of the functions of the administrators of the company are to be exercised by any or all of the administrators.
EC Regulation on Insolvency	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No.1346/2000 applies to these proceedings which are "Main proceedings" within the meaning of the Regulation as the company was based in and traded in the United Kingdom
Extension to initial period of Appointment	None

3. THE ADMINISTRATORS' PROPOSALS

The following proposals to creditors were agreed by creditors at the meeting held on 7 January 2010.

- 1 That the Joint Administrators remain in office, doing all such things and generally exercising the powers contained in schedule 1 of the Insolvency Act 1986 as the Joint Administrators, in our discretion consider desirable or expedient to achieve the purposes of the Administration and to protect and preserve the assets of the company or maximise the realisations from those assets

- 2 If it appears likely that there will be sufficient assets to distribute to preferential and/or unsecured creditors, the company should proceed into Creditor's Voluntary Liquidation in accordance with Paragraph 83 of Schedule B1 of the Insolvency Act 1986 and the Joint Administrators propose that they would be appointed Joint Liquidators. Creditors should note that they may nominate a different person as the proposed liquidator provided that any such nomination is received prior to the meeting of creditors
- 3 If there are no assets for distribution to preferential or unsecured creditors, on conclusion of the Administration the Joint Administrators propose that they should file a notice with the Registrar of Companies in accordance with Paragraph 84(1) of Schedule B1 of the Insolvency Act 1986 ending the Administration, with the company being dissolved 3 months thereafter
4. A creditors committee shall be formed if three or more creditors (up to a maximum of 5) require this and are willing to serve on it.
- 5 If no Creditors' Committee is formed, then the Joint Administrators propose that they be remunerated on the basis of their hourly costs at scale rates calculated on time properly spent in the course of the Administration and that the Joint Administrators shall draw their remuneration on account as and when funds permit
- 6 If no Creditors' Committee is formed, then the Joint Administrators propose that their category 2 disbursements be approved in accordance with the policy disclosed in the enclosed Guide to fees, (rates may vary from time to time) and that the Joint Administrators be authorised to draw such disbursements as cash permits

These proposals shall be subject to any modification or conditions as the Court may approve or impose

Whilst resolution 4 was accepted by creditors in both cases, no nominations to serve on the creditors' committees were received

4. **PROGRESS OF THE ADMINISTRATION**

Objective of the Administration

The objective of the Administration is set out in paragraph 3 of Schedule B1 to the Insolvency Act 1986 as follows

The Joint Administrators' of a company must perform their functions with the objective of

- (a) rescuing the company as a going concern, or
- (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), or
- (c) realising property in order to make a distribution to one or more secured or preferential creditors

As previously advised, the Joint Administrators' believed that as there was likely to be significant interest in the Groups business and assets, such that if purpose 1 (a) of Administration could not be achieved, the Joint Administrators were confident that purpose 1 (b) would be achieved, i.e. achieving a better result for the company's creditors as a whole than would be likely if the company

were wound up. The objective was achieved through the sale of the business and assets on a going concern.

The following progress report should be read in conjunction with the report and proposal circulated to all known creditors on 18 December 2009

Receipts and Payments Account

The Joint Administrators attach a receipts and payments account for the period 2 November 2009 to 1 May 2010

Assets

As previously advised the business and assets ASL Media Limited and Freelance Media Limited were sold Trainfx Limited, a subsidiary of RAM Investment Group PLC ("RAM") for £128,750 and £26,250 respectively.

TrainFx agreed to assist the Joint Administrators in collecting the debts due to the company. The Director estimated that book debts of circa £100,000 would be recoverable out of the total ledger of £394,984.

The Joint Administrators have been advised by TrainFx that the majority of the debts are disputed and therefore are unlikely to be collectable. Trainfx believe that only £20,000 is likely to be recovered. Further investigations are taking place to ascertain which debts can be collected and whether legal action will be necessary to collect the sums. The outcome for creditors is highly dependent on the level of book debt recoveries.

The amount of £27,712 has been received from HSBC Bank plc. The majority of this amount relates to book debts paid directly into the company's bank account on or around the date of Administration. A further £743 is shown on the receipts and payments summary as book debt realisations.

Liabilities

Secured Creditors

The Joint Administrators are not aware of any secured creditors in this matter.

Prescribed Part

Section 176A of the Insolvency Act 1986 requires the Administrator to set aside a prescribed amount of the company's "net property" towards the satisfaction of unsecured debts. Net property is the amount that would otherwise be available for the satisfaction of holders of debentures secured by, or holders of, any floating charge created after 15 September 2003. Net property is calculated after accounting for preferential debts and the costs of realisation.

As there are no qualifying floating charges, the prescribed part rules do not apply.

Preferential Creditors

The only known preferential creditors relate to unpaid wages and holiday pay of the former employees of ASL Media Limited. To date the Redundancy Payments Office has submitted a total preferential claim of £59,850.

Unsecured Creditors

According to the Director's statement of affairs, unsecured creditors are estimated to total £2,176,170, which includes £165,607 due to HM Revenue & Customs Group company creditors are estimated at £10,921,222

To date the Joint Administrators have received unsecured creditors claims totalling £1,452,013, this includes £26,225 and £125,499 for HM Revenue & Customs in respect of VAT and PAYE & NIC, respectively

As mentioned above, the outcome for creditors is dependent on the collection of book debts.

5. OTHER MATTERS

Investigations

Conduct of Director

The Joint Administrators are required by statute to submit a report to the Department for Business, Innovation, and Skills concerning the conduct of every director of a company that is subject to Administration. Whilst the conduct of this report is confidential, the Joint Administrators confirm that these reports have been submitted. This is a standard part of the Joint Administrators' duties and does not imply any criticism of the directors.

Remuneration

The Joint Administrators' remuneration is based on a time cost basis, as approved at the creditors' meetings held on 7 January 2010. The Joint Administrators' time costs for the period 2 November 2010 to 1 May 2010 amount to £43,347. A total of one hundred & eighty three hours of time has been spent on this matter. The Joint Administrators have drawn fees of £25,567.

To date the time spent on this matter has predominantly been spent on overseeing the sale of the business and assets, on the initial set up and statutory tasks of the Administration, investigations and on dealing with creditor queries and claims, which includes dealing with employee claims.

Full details of the time incurred on these cases are enclosed in accordance with Statement of Insolvency Practice 9 issued by the Joint Insolvency Committee on behalf of the Joint Administrators Licensing body, together with a schedule of current charge out rates and details of disbursements.

A Guide to Administrators' fees may be found at <http://www.antonybatty.com/links.html>. The Joint Administrators would also be pleased to send you a copy by e-mail or post on request. Details of the Joint Administrators' firm's hourly rates are attached as Appendix IV.

Standard Activities -

Administration and planning - Case planning, Administrative set-up, Appointment notification, Maintenance of records & statutory reporting

Investigations - SIP2 review, CDDA reports & investigating antecedent transactions

Realisation of assets: - Identifying, securing, insuring assets, Retention of Title, Debt collection, Property, business and asset sales

Trading - Management of operations, Accounting for trading, On-going employee issues

Creditors - Communications with creditors, collating and agreeing creditors' claims (including employees' and other preferential creditors)

Disbursements

The Joint Administrators' have incurred category 1 disbursements of £171 of which £43 are outstanding. The Joint Administrators have also incurred category 2 expenses of £847 which have been drawn in full, in accordance with the attached disbursements policy attached. Below is a summary of these disbursements.

	Category 1	Category 2
Photocopying		£843
Faxes		£4
Court filing		
Companies House search	£5	
Postage	£166	
	<u>£171</u>	<u>£847</u>

In addition, certain Administration costs have been paid out of the Administration bank account, operated by the Joint Administrators'. These include payments made in respect of statutory advertising, legal and professional fees. These are shown in the receipts & payments account.

Professional fees were paid to Mercer & Hole Chartered Accountants of £21,860 plus VAT. An element of their fees was based on time costs. The fees in relation to their assistance with the sale of the business and asset were on a fixed fee basis.

Legal fees of £17,765 plus VAT were paid to Barlow Lyde & Gilbert, who assisted in the sale of assets and preparing the appropriate sale agreements and their fees were based on time costs.

All third party agents are professionally insured.

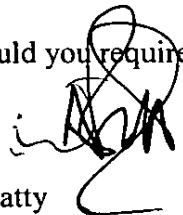
Conclusion of the Administration

The Joint Administrators' are dealing with the on-going investigation into the disputed book debts and realisation of the outstanding debtors.

In addition, the Joint Administrations' are in the process of completing the various outstanding HM Revenue and Customs returns for the period prior to the Administration.

Once the above matters have been concluded the Joint Administrators' will be in a position to confirm whether or not a dividend is likely to be paid to the preferential and unsecured creditors via a creditor's voluntary liquidation.

Should you require any further information please contact my colleague Claire Howell.


A Batty
Joint Administrator
Dated. 28 May 2010

**ASL Media Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 28/05/2010**

S of A £		£	£
	SECURED ASSETS		
61,249 00	Goodwill	61,249 00	61,249 00
	ASSET REALISATIONS		
1 00	Lease	1 00	
32,500 00	Software	32,500 00	
	Equipment	17,500 00	
31,500 00	Content Library	8,750 00	
3,500 00	Computer Equipment	3,500 00	
	Stock	5,250 00	
100,000 00	Book Debts	743 73	
	Cash at Bank	27,712 14	
	Petty Cash	40 70	
	Bank Interest Gross	72 25	
	Sundry Refund	10 00	
			96,079 82
	COST OF REALISATIONS		
	Specific Bond	852 00	
	Joint Administrators Fees	25,567 50	
	Category 1 Disbursements	127 48	
	Category 2 Disbursements	847 15	
	Specialist Employee Costs	350 00	
	Barlow Lyde & Gilbert - Legal Fees	17,765 30	
	Mercer & Hole-professional assistance	21,859 56	
	Statutory Advertising	135 00	
			(67,503 99)
228,750.00			89,824.83
	REPRESENTED BY		
	Vat Receivable		11,088 94
	Bank 1 Current		78,735 89
			89,824.83

SIP 9 - Time & Cost Summary

Period 02/11/09 01/05/10

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	13 10	25 80	12 10	10 90	61 90	13,147 50	212 40
Investigations	3 00	2 50	2 00	7 50	15 00	2,610 00	174 00
Realisations of assets	33 60	3 40	1 30	7 00	45 30	13 697 50	302 37
Trading	2 10	11 60	1 50	6 00	21 20	4,001 50	188 75
Creditors	16 90	4 80	1 50	17 00	40 20	8,890 50	221 16
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Pre Jan 2003 Time	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	68 70	48 10	18 40	48 40	183 60	42 347 00	230 65
Total Fees Claimed						0 00	

Antony Batty & Company LLP

Time Costs – Charge out rates per hour and disbursements policy.

1 April 2010 – 31 March 2011

2010\11

Office Holder (e g Administrator)	£380
Senior Manager	£295
Case Manager	£260
Senior Administrator	£195
Administrator	£110

Please note that these rates may be increased from time to time Creditors will be notified of changes in the annual report

Disbursement Policy

Please note that the liquidator's disbursements are charged out at the following rates -

Category 1 - represent recovery of necessarily incurred disbursements at the cost incurred.

Postage – the current postage rate applicable.

Sundry disbursements, such as advertising, where incurred appropriately, are recharged at 100% of the cost incurred

Insurance and bonding is recharged at 100% of the relevant charge to the office holder

Travel: where the staff of Antony Batty & Company LLP staff use their own vehicles in the course of their duties in this matter, the mileage is recharged at 40p per mile All other travel costs are recharged at 100% of the cost incurred.

VAT is charged as appropriate

Category 2

Photocopying	15p per sheet
Faxes UK	£1 per sheet
International	£2 per sheet
Internal meeting room hire -	£100 per hour, (minimum 1 hour)
Storage	£35 per box per annum

VAT is charged as appropriate