

The Insolvency Act 1986

Administrator's progress report

Name of Company
Barraclough Edwards Chamberlain Limited

Company number
04788958

In the
High Court of Justice Companies Court

[full name of court]

Court case number
9167/2012

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

I/We (a) Ian Robert, Kingston Smith & Partners LLP, Devonshire House, 60 Goswell Road, London, EC1M 7AD

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

from

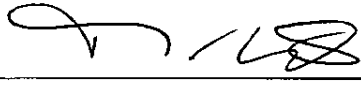
to

(b) Insert dates

(b) 3 June 2013

(b) 2 December 2013

Signed


~~Joint~~ Administrator(s)

Dated

13/12/13

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.

Ian Robert, Kingston Smith & Partners LLP, Devonshire House, 60 Goswell Road, London, EC1M 7AD	
	Tel 0207 566 4020
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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Administrator's Final Progress Report

For the Period

3 June 2013 to 2 December 2013

**Barraclough Edwards Chamberlain Limited -
In Administration**

13 December 2013

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1 Statutory Information

- 1 1 I was appointed Administrator of Barraclough Edwards Chamberlain Limited ("the Company") on 3 December 2012. The application for the appointment of an Administrator was made by the Company.
- 1 2 This Administration is being handled by Kingston Smith & Partners LLP's office, situated at Devonshire House, 60 Goswell Road, London, EC1M 7AD.
- 1 3 The Administration is registered in the High Court of Justice Companies Court, under reference 9167 of 2012.
- 1 4 The trading address of the Company is Circus House, 21 Great Titchfield Street, London, W1W 8BA. The business trades under the name BEC.
- 1 5 The registered office of the Company is Devonshire House, 60 Goswell Road, London, EC1M 7AD and its registered number is 04788958.

2 Administrator's Proposals

- 2 1 As previously advised, the Administrator must perform his functions with the purpose of achieving one of the following objectives:
- rescuing the Company as a going concern,
 - 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
 - realising property in order to make a distribution to one or more secured or preferential creditors.
- 2 2 The objective pursued from the list above was 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). To meet this objective, a pre-packaged sale of the Company's business and assets was undertaken. The sale was completed on 3 December 2012 to an unconnected Company, Campbell Lacey Beta Limited ("the Purchaser").
- 2 3 A pre-packaged sale was necessary because the Company would lose its contracts and goodwill that provide the main value in the business, through any other insolvency

proceedings. It would not have been possible to trade the Company whilst marketing the Company for sale.

2.4 A pre-packaged sale would also provide a seamless TUPE transfer of the employees of the Company into a new business, not only preserving their jobs for their own benefit, but also avoiding potential issues and costs and claims against the estate involved with redundancies arising in a liquidation.

2.5 As detailed in the Administrator's Proposals dated 25 January 2013, the Company could not be rescued as a going concern because of large debts to HMRC outweighing the little that was left in the Company, combined with the fact that attempts to improve the cash-flow position through Beta's intervention were unsuccessful. The Company had no secured debts or preferential debts (as employees were transferred over as part of the pre-packaged sale).

3 Progress of the Administration

3.1 Attached at Appendix A is my Receipts and Payments Account for the period from 3 June 2013 to 2 December 2013.

3.1 Pre-packaged Sale

3.2 A pre-packaged sale of the Company's goodwill and chattel assets to Campbell Lane Beta Limited ("the Purchaser"), an unconnected company, was completed following my appointment on 3 December 2012.

3.3 Consideration of £19,000 was received in respect of this sale.

3.4 Following the completion of the pre-packaged sale, I sent a letter to creditors on 6 December 2012 to provide further information on the sale pursuant to the requirements of Statement of Insolvency Practice No 16.

Cash at Bank

3.5 Cash at Bank of £34,712 was realised in the Administration.

Book Debts

3.6 As detailed in my previous report, dated 2 June 2013, the Purchaser was originally responsible for book debt collection, but this duty was eventually passed to Winterhill Sovereign Limited ("WSL"), a professional collection firm. I agreed that the Purchaser should still receive 5% of the largest debt as a fee for their initial work. WSL were paid 5% of recovery from the largest debtor, and worked on a 10% commission for all other debts.

3 7 WSL have confirmed that all possible recoveries have been made, and a total of £42,389 has been realised and transferred into the Administration

3 8 In accordance with Statement of Insolvency Practice No 13 (SIP13), I would advise you that no assets were sold to any Directors of the Company

VAT Reclaim

3 9 An amount of £6,480 in respect of the VAT paid on Administration fees and expenses has been claimed from HM Revenue & Customs and will be refunded into the Liquidation account

4 Administrator's Remuneration

4 1 The Creditors approved that the basis of the Administrator's remuneration be fixed reference to the time properly spent by him and his staff in managing the Administration

4 2 My time costs for the period from my previous report to 2 December 2013 are £6,208 This represents 29 hours at an average rate of £216 per hour Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during this final period in respect of the costs fixed by reference to time properly spent by me in managing the Administration

4 3 Also attached as Appendix D is a cumulative Time Analysis for the period from 3 December 2012 to 2 December 2013 which provides details of my time costs since appointment

4 4 Time has been spent mainly in the following areas

- Preparing my SIP 16 disclosure, Proposals and other reports and correspondence to creditors, and convening the meeting of creditors,
- Communication with new creditors and dealing with creditors' claims and issues,
- Liaising with the Company's bankers to realise cash at bank,
- Liaising with The Purchaser and WSL regarding book debt collections,
- Arranging for completion of tax returns, and
- General administrative work and statutory duties associated with the Administration, including closing the Administration and preparing and filing all relevant documents to move the case to Creditors' Voluntary Liquidation

4 5 The total fees drawn since my appointment are £26,200 plus disbursements of £1,956, and the balance of my remuneration of £5,080 will be drawn as an expense of the Liquidation

BARRACLOUGH EDWARDS CHAMBERLAIN LIMITED - IN ADMINISTRATION

- 4 6 The figure above includes c £320 of time to be drawn in the Liquidation that does not appear on the Time Analyses shown below, although this time is properly spent
- 4 7 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from www.kspllp.co.uk/creditorsguidetofees

5 Administrator's Expenses

- 5 1 Details of expenses incurred by the Administrator since my appointment are outlined below -

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
Winterhill Sovereign Limited	Book Debt Collection	2,568	2,568	nil
Campbell Lacey Beta Limited	Book Debt Collection	1,392	1,392	nil
Blake Turner & Co	Legal Fees relating to appointment	1,056	1,056	nil
TMP Worldwide	Statutory Advertising	488	488	nil
CWC Resources Limited	Preparation of Statement of Affairs	750	750	nil
Marsh Limited	Bonding and Pre-Pack asset insurance	226	226	nil
Out of pocket expenses	Travel	25	25	nil
Companies House	Company Searches	6	6	nil

Please note Expenses are shown exclusive of VAT Some expenses have been paid by Kingston Smith & Partners LLP and disbursed to the case

6 Investigations

- 6 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills (BIS) As this is a confidential report, I am not able to disclose the contents
- 6 2 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire

7 Unrealised Assets

- 7 1 I would confirm that all assets have now been realised and the cumulative Receipts and Payments Account at Appendix B reflects the final position on both realisations achieved and payments discharged during the course of the Administration. Appendix A reflects the Receipts and Payments made during the period since my last progress report dated 2 June 2013 only.

8 Outcome for Creditors

- 8 1 An Outcome Statement as at 2 December 2013 is attached at Appendix E.

Secured Creditors

- 8 2 Calverton Finance Limited, a factoring company, were not owed any money at the time of appointment but still held a Debenture that had not been formally satisfied. They endorsed the pre-packaged sale and supported my Appointment. As there is no debt, I am not required to create a fund out of the Company's net floating charge property for unsecured creditors, in accordance with S 176A of the Insolvency Act 1986.

Preferential Creditors

- 8 3 There were no preferential claims in the Administration as employees transferred over to the Purchaser as part of the pre-packaged sale.

Unsecured Creditors

- 8 4 I have received claims totalling £303,352 from 12 creditors. I have yet to receive claims from 8 creditors whose debts total £6,305 as per the Company's statement of affairs.
- 8 5 A dividend is expected to be made to the unsecured creditors in the Liquidation. I cannot comment on the exact quantum or timing until claims received have been properly adjudicated, and the costs of the Liquidation are known.

9 Creditors' rights

- 9 1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrator provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.

- 9 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrator, as set out in this progress report, are excessive

10 Ending the Administration

- 10 1 As detailed in the Administrator's Proposals, the Company has exited Administration by way of a move to Creditors' Voluntary Liquidation, following the registration by the Registrar of Companies of the notice (Form 2 34B) moving it into CVL under Para 83 of Schedule B1 of the Insolvency Act 1986. Additionally, as agreed at the meeting of creditors, the basis approved for my remuneration, as detailed in section 4 above, will continue to apply in the liquidation
- 10 2 The Administrator was discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 following his appointment as Administrator ceasing to have effect on 2 December 2013

For and on behalf of
Barraclough Edwards Chamberlain Limited



I ROBERT
Former Administrator

BARRACLOUGH EDWARDS CHAMBERLAIN LIMITED - IN ADMINISTRATION

**Receipts and Payments Account for the Period from 3 June 2013 to 2
December 2013**

Appendix A

Barraclough Edwards Chamberlain Limited
(In Administration)

ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 03/06/2013 To 02/12/2013 £	From 03/12/2012 To 02/12/2013 £
RECEIPTS			
Furniture & Equipment	1,000 00	0 00	1,000 00
Book Debts	67,453 00	0 00	42,388 78
Cash at Bank	34,745 00	1 62	34,711 74
Goodwill	18,000 00	0 00	18,000 00
Bank Interest Gross		116 61	116 61
		<u>118 23</u>	<u>96,217 13</u>
PAYMENTS			
Preparation of S of A		0 00	750 00
Office Holders Fees		3,200 00	26,200 00
Debt Collection Fees		1,392 00	3,960 48
Legal Fees (1)		0 00	1,055 50
Statutory Advertising		0 00	488 04
Insurance of Assets		0 00	106 00
Transfer to Liquidator		57,177 12	57,177 12
Vat Receivable		918 40	6,479 99
		<u>62,687 52</u>	<u>96,217 13</u>
BALANCE - 02 December 2013			<u><u>0.00</u></u>

**Cumulative Receipts and Payments Account for Period from
3 December 2012 to 2 December 2013**

Appendix B

Barracclough Edwards Chamberlain Limited
(In Administration)

ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 03/12/2012 To 02/12/2013 £	From 03/12/2012 To 02/12/2013 £
RECEIPTS			
Furniture & Equipment	1,000 00	1,000 00	1,000 00
Book Debts	67,453 00	42,388 78	42,388 78
Cash at Bank	34,745 00	34,711 74	34,711 74
Goodwill	18,000 00	18,000 00	18,000 00
Bank Interest Gross		116 61	116 61
		<u>96,217 13</u>	<u>96,217 13</u>
PAYMENTS			
Preparation of S of A		750 00	750 00
Office Holders Fees		26,200 00	26,200 00
Debt Collection Fees		3,960 48	3,960 48
Legal Fees (1)		1,055 50	1,055 50
Statutory Advertising		488 04	488 04
Insurance of Assets		106 00	106 00
Transfer to Liquidator		57,177 12	57,177 12
Vat Receivable		6,479 99	6,479 99
		<u>96,217 13</u>	<u>96,217 13</u>
BALANCE - 02 December 2013			<u><u>0 00</u></u>

BARRACLOUGH EDWARDS CHAMBERLAIN LIMITED - IN ADMINISTRATION

BARRACLOUGH EDWARDS CHAMBERLAIN LIMITED

Summary of Fees and Expenses

From 03/06/2013 to 02/12/2013

Time Costs

The following is a summary of the time costs incurred by the Office Holder and his staff in the administration of this matter. It should be read in conjunction with the Office Holder's Report for the period referred to above.

Work Activity	Partner Hrs	Manager / Supervisor Hrs	Administrator Hrs	Other Hrs	Total Hrs	Time Costs (£)	Average Costs (£)
<input checked="" type="checkbox"/> Administration & Planning	1 25	5 08	9 00	0 33	15 67	3,379 40	215 71
Cashiering - set-up, maintenance & control of accs	0 50	0 33		0 17	1 00	349 00	349 00
Post Appointment VAT & CTax	0 17	2 67	2 17		5 00	1,149 50	229 90
Statutory filing with Court, Companies House and BIS	0 25		1 50		1 75	318 25	181 86
Strategy reviews/Checklists/Diary Compliance	0 33		1 00		1 33	284 33	213 25
Dealing with company/Debtor re general admin		0 58	0 17		0 75	206 49	275 32
General Admin/Billing/Filing		1 50	3 92	0 17	5 58	1,036 83	185 70
Set-up Administration/IPS/Initial correspondence			0 25		0 25	35 00	140 00
<input checked="" type="checkbox"/> Creditors	1 92	2 50	8 42		12 83	2,793 25	217 66
Correspondence/Preparation of Reports/Meetings	1 92	1 67	6 83		10 42	2,309 92	221 75
Claims/Proofs		0 83	0 17		1 00	285 00	285 00
Planning/Preparation/Payment of Dividends (cashier)			1 42		1 42	198 33	140 00
<input checked="" type="checkbox"/> Realisation of Assets			0 25		0 25	35 00	140 00
Debtors & Claims			0 25		0 25	35 00	140 00
Grand Total	3 17	7 58	17 67	0 33	28 75	6,207 65	

Notes

1 All costs are shown excluding VAT and include an element of undrawn work in progress. It should also be noted that the office holder's fees and other expenses included in his Abstract Receipts and Payments, will include irrecoverable VAT, where the insolvent was not formerly registered for VAT.

2 The time accounting system utilised by Kingston Smith & Partners LLP does not allow for analysis of time, by task, prior to 30 November 2002.

Disbursements

Category 1 Disbursements

These are out of pocket expenses which are directly attributable to the case. These are charged to the case and billed as funds allow.

BARRACLOUGH EDWARDS CHAMBERLAIN LIMITED - IN ADMINISTRATION

Category 2 Disbursements

These are costs which are allocated to the case, where no direct costs are applicable. In this case, category 2 disbursements have been charged to the case as follows:

**Cumulative Time Analysis for the Period from 3 December 2012
to 2 December 2013**

Appendix D

BARRACLOUGH EDWARDS CHAMBERLAIN LIMITED - IN ADMINISTRATION

BARRACLOUGH EDWARDS CHAMBERLAIN LIMITED

Summary of Fees and Expenses

From 03/12/2012 to 02/12/2013

Time Costs

The following is a summary of the time costs incurred by the Office Holder and his staff in the administration of this matter. It should be read in conjunction with the Office Holder's Report for the period referred to above.

Work Activity	Partner Hrs	Manager / Supervisor Hrs	Administrator Hrs	Other Hrs	Total Hrs	Time Costs (£)	Average Costs (£)
<input checked="" type="checkbox"/> Administration & Planning	7 83	17 25	27 67	1 50	54 25	12,826 29	236 43
Books & Records administration	0 25				0 25	108 25	433 00
Case Planning/Information Capture/Interviews	0 17	2 17			2 33	752 50	322 50
Cashiering - set-up, maintenance & control of accs	1 50	0 33		1 25	3 08	962 90	312 29
Dealing with company/Debtor re general admin	0 33	5 00	0 17		5 50	1,710 66	311 03
General Admin/Billing/Filing	0 25	3 75	13 25	0 25	17 50	3,167 01	180 97
Post Appointment VAT & CTax	0 67	3 00	3 92		7 58	1,715 67	226 24
Statutory filing with Court, Companies House and BIS	3 42	1 08	4 42		8 92	2,437 89	273 41
Strategy reviews/Checklists/Diary Compliance	1 25		4 75		6 00	1,206 25	201 04
Set-up Administration/IPS/Initial correspondence		1 92	1 17		3 08	765 16	248 16
<input checked="" type="checkbox"/> Realisation of Assets	0 67	6 92	5 58	0 08	13 25	3,250 90	245 35
Cashiering - banking, realisations & payment costs	0 17				0 17	72 17	433 02
Debtors & Claims	0 25	6 08	4 58		10 92	2,660 06	243 67
Identification, securing, insuring & bonding	0 25		0 67	0 08	1 00	210 33	210 33
Cash & Bank balances/VA contribs & reviews/IPO		0 83	0 08		0 92	273 34	298 19
Freehold & Leasehold property/matrimonial home			0 08		0 08	11 67	140 04
Pensions/Policies			0 17		0 17	23 33	139 98
<input checked="" type="checkbox"/> Creditors	15 33	12 33	28 42		56 08	14,463 29	257 89
Claims/Proofs	0 83	1 75	2 92		5 50	1,318 66	239 76
Correspondence/Preparation of Reports/Meetings	14 50	10 58	23 67		48 75	12,887 97	264 37
Employees/ERA scheme admin			0 17		0 17	23 33	139 98
Planning/Preparation/Payment of Dividends (cashier)			1 42		1 42	198 33	140 00
Secured/Finance Creditors & Landlords			0 25		0 25	35 00	140 00

BARRACLOUGH EDWARDS CHAMBERLAIN LIMITED - IN ADMINISTRATION

Investigations			3 00		3 00	419 99	140 00
Other scheduling & information analysis			0 25		0 25	35 00	140 00
SIP 2 review & CDDA reporting			2 75		2 75	384 99	140 00
Grand Total	23 83	36 50	64 67	1 58	126 58	30,960 47	

Notes

1 All costs are shown excluding VAT and include an element of undrawn work in progress. It should also be noted that the office holder's fees and other expenses included in his Abstract Receipts and Payments, will include irrecoverable VAT, where the insolvent was not formerly registered for VAT.
2 The time accounting system utilised by Kingston Smith & Partners LLP does not allow for analysis of time, by task, prior to 30 November 2002.

Disbursements

Category 1 Disbursements 1,956 00

These are out of pocket expenses which are directly attributable to the case. These are charged to the case and billed as funds allow.

Category 2 Disbursements

These are costs which are allocated to the case, where no direct costs are applicable. In this case, category 2 disbursements have been charged to the case as follows:

BARRACLOUGH EDWARDS CHAMBERLAIN LIMITED - IN ADMINISTRATION

Outcome Statement as at 2 December 2013

Appendix E

	£
Assets subject to Fixed Charge	
Book debts (less all commission charges)	38,429
Goodwill	18,000
Less	
Cost of Administration	(10,000)
Available to Secured Charge Holder	46,429
Amount due to Secured Charge Holder	nil
Surplus / (deficit) to Secured Charge Holder	46,429
Assets Subject to Floating Charge	
Plant and equipment (office equipment and computers)	1,000
Cash at Bank	34,712
Bank Interest	116
Less	
Costs of Administration	(16,200)
Administration Expenses	(2,400)
Estimated further costs of Administration	(4,760)
Estimated costs of Liquidation	(10,000)
Estimated Liquidation expenses	(250)
Preferential creditors	nil
Surplus / (deficit) due to Secured Charge Holder under fixed charge	46,429
Surplus / (deficit) available for unsecured creditors / Liquidation estate	48,647

Additional Information in Relation to Administrator's Fees Pursuant to Statement of Insolvency Practice 9

Appendix F

1 Policy

Detailed below is Kingston Smith & Partners LLP's policy in relation to

- staff allocation and the use of sub-contractors,
- professional advisors, and
- disbursements

1.1 Staff Allocation and the use of Sub-contractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

On this case we have used the services of the following sub-contractors

Service	Provider	Basis of fee arrangement	Cost to date
Book debt collection	Winterhill Sovereign Limited	5% of largest debtor, 10% of all other realisations	2,568
Book debt collection	Campbell Lacey Beta Limited	5% of largest debtor	1,392

1.2 Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of fee arrangement
Blake Turner & Co (legal advice)	Hourly rate and disbursements
Marsh Limited (insurance)	Risk based premium

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. We would confirm that this firm does not seek to charge any Category 2 disbursements.

Charge-out Rates

A schedule of Kingston Smith & Partners LLP's charge-out rates for this assignment effective from 1st November 2013 is detailed below.

	Per Hour £
Partner	433 to 695
Senior Manager	314 to 550
Assistant Manager/Manager	275 to 495
Other Senior Professionals	
Supervisor	238 to 285
Senior Administrator	222 to 230
Administrator	167
Junior Administrator	140
Support Staff	
Experienced Cashier	238
Cashier	167
Support	105

Please note that this firm records its time in minimum units of 5 minutes.