

**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

05310692

Name of Company

Admorspace Limited

I / We

William Duncan
Lowgate House
Lowgate
Hull
Yorkshire
HU1 1ELSarah Louise Burge
Lowgate House
Lowgate
Hull
Yorkshire
HU1 1ELthe liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 21/05/2012 to 20/05/2013

Signed



Date

12/7/13

RSM Tenon Restructuring
Lowgate House
Lowgate
Hull
Yorkshire
HU1 1EL

Ref 5521387L/WD/SLB/SSU/LW/CHH

SATURDAY



A15

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13/07/2013

COMPANIES HOUSE

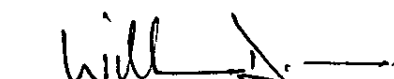
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Admorspace Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 21/05/2012 To 20/05/2013
	SECURED ASSETS	
204,627 14	Book Debts	<u>NIL</u> NIL
	SECURED CREDITORS	
(281,830 39)	Lloyds TSB Commercial Finance Limit	<u>NIL</u>
(170,598 39)	Barclays Bank Plc	<u>NIL</u> NIL
	HIRE PURCHASE	
Uncertain	Plant and Machinery	<u>NIL</u>
Uncertain	Amada United Kingdom Limited	<u>NIL</u> NIL
	ASSET REALISATIONS	
NIL	Leasehold Property Improvements	<u>NIL</u>
1,500 00	Plant & Machinery	1,500 00
3,200 00	Office Furniture & Equipment	3,200 00
2,500 00	Motor Vehicles	2,500 00
4,000 00	Stock	3,300 00
NIL	Factored Debtors	31,980 30
	Bank Interest Gross	2 55
	VAT on Legal Costs	864 35
NIL	Other Debtors	<u>NIL</u>
		43,347 20
	COST OF REALISATIONS	
	Preparation of S of A	7,000 00
	Office Holders Expenses	1,386 44
	Agents/Valuers Fees	1,084 45
	VAT on Legal Costs	864 35
	Accountants fees	500 00
	Insurance of Assets	<u>139 92</u>
		(10,975 16)
	PREFERENTIAL CREDITORS	
(24,516 94)	Employee Arrears of Wages & Holiday	<u>NIL</u> NIL
	FLOATING CHARGE CREDITORS	
	Lloyds TSBCF	<u>31,980 30</u> (31,980 30)
	UNSECURED CREDITORS	
(1,239,720 21)	Trade & Expense Creditors	<u>NIL</u>
(114,019 76)	Employees Redundancy & Notice Pay	NIL
(425,578 98)	Directors' Loan Accounts	NIL
(296,347 21)	HM Revenue & Customs - PAYE	NIL
(144,222 55)	HM Revenue & Customs - VAT	NIL
(91,484 00)	Shareholders' Loan Accounts	NIL
(41,906 00)	Carbon Trust Loan	<u>NIL</u> NIL

Admorspace Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 21/05/2012 To 20/05/2013
DISTRIBUTIONS		
(350,000 00)	Preference Shareholders	NIL
(100,000 00)	Ordinary Shareholders	NIL
(1,000 00)	Ordinary A Shareholders	NIL
		<u>NIL</u>
<u>(3,065,397.29)</u>		<u>391.74</u>
REPRESENTED BY		
	Floating Current A/c	391 74
		<u>391.74</u>



William Duncan
Joint Liquidator

Admorspace Limited (“the Company”) – In Liquidation

**Joint Liquidators’ First Progress Report
for the Year from Appointment on 21 May 2012 to 20 May 2013**

Issued on: 10 July 2013

Admorspace Limited ("the Company") – In Liquidation

JOINT LIQUIDATORS' FIRST PROGRESS REPORT AS AT 10 JULY 2013

1. Introduction

Sarah Louise Burge and William Duncan are the Joint Liquidators of the Company and this is their first progress report to the creditors and members of the Company, showing how the liquidation has been conducted. The report covers the period from 21 May 2012 to 20 May 2013.

2 Statutory Information

Statutory information relating to the Company is attached at **Appendix I**.

3. Joint Liquidators' Receipts and Payments Account

A summary of the Joint Liquidators' receipts and payments account relating to the Company from commencement to date is attached at **Appendix II**.

4. Action taken by the Joint Liquidators since Appointment

The Company was wound up on 21 May 2012 and Sarah Louise Burge and William Duncan were appointed Joint Liquidators at meetings of members and creditors held on 21 May 2012.

Book debts

As shown in the Statement of Affairs at the date of liquidation the Company had outstanding book debts of £423,077. The Company was party to an Invoice Finance Agreement with Lloyds TSB Commercial Finance Limited ("LTSBCF"). The outstanding liability to LTSBCF totalling £281,830 on appointment has been repaid in full due to the directors of the Company covering the shortfall after debt collection under the terms of their personal guarantees. LTSBCF subsequently reassigned the outstanding ledger to the Joint Liquidators. The Joint Liquidators upon reassignment have entered into a book debt assignment agreement with the aforementioned guarantors.

Plant and Machinery on Hire Purchase from Amada United Kingdom Limited ("Amada")

The machinery was returned to Amada under the terms of the agreement and no surplus was available to the Joint Liquidators.

Plant and Machinery, Office Furniture and Equipment, Motor Vehicles, Stock

These items were valued and sold by CJM Asset management as follows -

- Plant and Machinery, £1,500
- Office Furniture and Equipment, £3,200
- Motor Vehicles, £2,500

- Stock, £3,300

These items were sold to Modular Space Limited, a company which is controlled by Mr Galbraith and Mr ZGoda, two former directors of Admorspace Limited

Shares and Investments

The Company was the sole shareholder of Modular Fabrications Limited that, as previously advised, had very limited assets and was formally dissolved on 13 November 2012

Other Debtors

On further investigations by the Joint Liquidators there are no rights of action available to the Liquidators against the directors in respect of the loan made to High Stile Developments Limited. Any creditor has the right to seek their own independent legal advice on this matter should they wish

Investigations

The Joint Liquidators' have a duty to submit a confidential report or return to the Government's Disqualification Unit on the conduct of those persons who acted as directors of the Company in the three year period before the liquidation these have been completed I can confirm that there are no outstanding lines of enquiry

5. Future Actions of the Joint Liquidators

The only remaining asset to be realised is a potential VAT bad debt relief claim If such a claim is able to be made this will be submitted, and once this has been resolved the Joint Liquidator's will be in a position to conclude their administration of the liquidation

6. Liabilities and Dividends

Secured Creditors

LTSBCF Limited received payment in full from personal guarantees provided by the directors of the Company to cover the shortfall on their lending after completion of the debt collection process

Preferential Creditors

As shown in the Statement of Affairs preferential claims for employee's arrears of wages and holiday pay were £24,516 94 There are insufficient funds for a dividend to be paid to preferential creditors

Prescribed Part

The Prescribed part was not applicable in this matter.

Ordinary Unsecured Creditors

Notice is given that no dividend will be declared to unsecured creditors as the funds received have been used or allocated for defraying the expenses of administration.

7. Joint Liquidators' Remuneration, Disbursements and Expenses

Basis of Remuneration and Disbursements

At the initial meeting of creditors held on 21 May 2012 it was resolved that the Joint Liquidators would be remunerated by reference to the time properly spent in dealing with matters in the liquidation and that their disbursements would be drawn in accordance with the tariff outlined at **Appendix III**

Remuneration Charged and Drawn in the Period

The Joint Liquidators' time costs were charged (exc VAT) as follows

	Incurred	Paid
For this period from appointment on 21 May 2012 to 20 May 2013	£30,810 00	£0 00

In accordance with Statement of Insolvency Practice 9, attached at **Appendix III** is a breakdown of these time costs

Since the end of this period to the current date, further time costs have been incurred of £773 50 representing 2 5 hours.

Disbursements Incurred and Drawn

The Joint Liquidators' disbursements incurred and reimbursed are summarised below. Details are in the attached **Appendix III**.

	Incurred	Paid
Category 1 disbursements for this period from appointment -21 May 2012 to 20 May 2013	£1,921.55	£1,175 99
Category 2 disbursements for this period from appointment -21 May 2012 to 20 May 2013	£210 45	£210 45
Total	£2,132.00	£1,386.44

Expenses (Professional Advisors) Charged and Drawn in the Period

The following professional advisors have been instructed in this matter

Professional Advisor	Nature of Work	Fee Arrangement
CJM Asset Management	Agents –valuation and sale of	Commission and fixed fee based

Fawley Judge & Easton

assets

Accountancy Fee for preparation of Statement of Affairs Fixed Fee

The choice of professionals and the Joint Liquidators' fee arrangement with them was based on perception of their experience and ability to perform this type of work, together with the complexity and nature of the assignment

Details of the costs incurred and paid by the Joint Liquidators' in relation to liquidation expenses for the period are also attached at **Appendix III**

Pre Appointment Costs

At the initial meeting of creditors held on 21 May 2012, it was resolved that the fees of RSM Tenon Restructuring for assisting the Directors in convening the statutory meetings to place the Company into liquidation, and for assistance in preparing the Statement of Affairs, would be a set fee of £10,000 plus VAT and disbursements

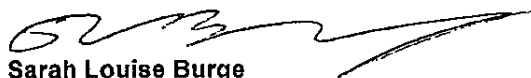
These fees have been partly paid as an expense of the liquidation as sufficient assets have not yet been realised

Creditors' Guide to Fees and Statement of Creditors' Rights

Creditors have a right to request further information from the Joint Liquidators' and additionally have a right to challenge the Joint Liquidators' remuneration and expenses time limits apply Details can be found in the document 'Remuneration Guidelines Liquidation (post 1 November 2011)' which you can access and download at <http://www.rsmtenon.com/creditorguides> Alternatively a copy is available free of charge upon request from the address above

8. Conclusion of the Liquidation

Once it has been established whether a VAT Bad Debt Relief claim can be submitted, the Joint Liquidators will be in a position to conclude their administration of this matter



Sarah Louise Burge

Joint Liquidator

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association

Category 2 disbursements charged by RSM Tenon are as follows

Disbursement charge	Rate
Company searches (RSM Tenon Tracker)	£10 per case
File set up	£7 per file
Photocopying, scanning and faxes	10p per side of paper
Mileage	45p per mile
Room hire (internal) - London	£150 per hour
Room hire (internal) - outside London	£100 per hour
Reports to creditors and members - posted	50p per report
Reports to creditors and members - published on line	25p per report

2. Description of work carried out in the current period

Section 3 of this Appendix outlines the time costs to date in relation to activities undertaken during this period. These can be summarised as follows

2.1. Administration and planning

The following activities have been undertaken

- > Statutory duties associated with the appointment
- > Notification of the appointment to creditors, employees and other interested parties
- > Setting up case files
- > Reviewing available information to determine appropriate strategy
- > Setting up and maintaining bank accounts
- > Progress reviews of the case

Staff of different levels were involved in the above activities depending upon the experience required

2.2. Investigations

The time spent includes

- > Corresponding with the former directors and management
- > Review of questionnaires and comments provided by interested parties
- > Review of company documentation
- > Completion of statutory returns to the Insolvency Service

2.3. Realisation of assets

Please refer to the main body of the report but in summary the time spent includes

- > Liaising with agents and solicitors
- > Identifying, securing and insuring of assets

- > Liaison with LTSBCF regarding debts
- > Agreement of contracts

2.4. Creditors and distributions

The time spent includes the following matters

- > Recording and maintaining the list of creditors
- > Dealing with employee related matters
- > Dealing with retention of title claims
- > Recording creditor claims
- > Reporting to creditors
- > Dealing with creditor queries

3. Time and charge out summary

For the period of this report from appointment on 21 May 2012 to 20 May 2013, a total of 148.8 hours have been spent at an average charge out rate of £207.05 bringing the total cost to £30,810.00

The table below shows details of the time costs charged (exc VAT) in the current period

Classification of work function	Insolvency Practitioner/ Partner/ Director	Manager	Other senior professionals	Assistants and support staff	Total	Time cost £	Average Hourly rate £
Administration and Planning	15.9	8.9	16.7	13.4	54.9	13,219.00	240.78
Investigations	1.6	3.3	17.4	0.0	22.3	4,234.00	189.87
Realisation of assets	2.8	10.2	7.5	0.0	20.5	4,850.00	236.59
Creditors	0.6	11.2	23.6	15.8	51.1	8,507.00	166.48
Total hours	20.9	33.6	65.1	29.2	148.8	30,810.00	207.05
Total fees claimed £						0.00	

Since the end of the current period on 20 May 2013, further time costs have been incurred of £773.50. Such costs will be fully reported in my next report.

4. Disbursements

Disbursements incurred and reimbursed from commencement of the liquidation to 20 May 2013 are detailed below

Disbursements	Incurred £	Paid £
Category 1		
Statutory advertising	283.50	283.50
Mail Redirection	60.00	60.00
Room Hire	108.84	108.84
Bond premium	120.00	0.00
Postage	225.65	225.65
Storage	1,115.56	490.00
Website Charge	8.00	8.00
Total	1,921.55	1,175.99
Category 2		
Co House	4.00	4.00
Copying	201.45	201.45
Travel	5.00	5.00
Total	210.45	210.45

The above costs exclude VAT

5. Professional advisors and expenses

The Joint Liquidators have incurred liquidation expenses in connection with the instruction of the following parties, covering the current period,

Name & Activity	Incurred £	This period Paid £
CJM Asset Management	1,084.45	1,084.45
Fawley Judge and Easton	500.00	500.00
Total	1,584.45	1,584.45

The above costs exclude VAT

Statutory Information

Appendix I

Company Information

Company Name	Admorspace Limited
Previous Name	N/A
Company Number	05310692
Date of Incorporation	10 December 2004
Trading Address	30 Freightliner Road, Hull, HU3 4UP
Current Registered Office	30 Freightliner Road, Hull, HU3 4UP
Former Registered Office	30 Freightliner Road, Hull, HU3 4UP
Principal Trading Activity	Manufacture of portable buildings

Appointment Details

Joint Liquidators' name and address	Sarah Louise Burge of RSM Tenon Restructuring, Lowgate House, Lowgate, Hull, Yorkshire, HU1 1EL and William Duncan of RSM Tenon Restructuring Lowgate House, Lowgate, Hull, Yorkshire, HU1 1EL
Commencement of liquidation	21 May 2012
Date of appointment	21 May 2012
Appointment made by	Members and Creditors

The Joint Liquidators act jointly and severally

Appendix II**Admorspace Limited - In Liquidation
Receipts and Payments Account
From 21 May 2012 to 20 May 2013**

Receipts		Receipts and Payments	
Statement of Affairs		From 21 May 2012	
		To 20 May 2013	
	£		£
1,500 00	Plant and Machinery	1,500.00	
3,200.00	Office Furniture & Equipment	3,200 00	
2,500.00	Motor Vehicles	2,500.00	
4,000 00	Stock	3,300.00	
	Bank Interest	2 04	
	VAT	2,858.52	
11,200.00		13,360.56	
Payments			
	Pre Appointment Fee	7,000 00	
	Joint Liquidators' Expenses	1,386.44	
	Accountancy Fees	500 00	
	Agents Fees	1,084 45	
	Insurance of Assets	139 92	
	VAT	2,858.52	
		12,969.33	
	Balance	391.23	

Admorspace Limited

Information relating to the Joint Liquidators' Fees and Expenses

1. Explanation of Liquidators' charging and disbursement recovery policies

1.1. Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

RSM Tenon Restructuring chargeout rates (effective from 1 November 2011)

Grade	Rate per hour
	£
Partners / Directors	355 – 395
Managers	260 – 300
Technical Staff	155 – 220
Assistants and Support Staff	100 – 155

1.2. Disbursement recovery

RSM Tenon Restructuring disbursement recovery policy (effective from 1 January 2013)Category 1 disbursements

External supplies of incidental services specifically identifiable to the case Where these have initially been paid by RSM Tenon and then recharged to the estate, approval from creditors is not required

Examples of category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, external room hire, storage, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011)

Category 2 disbursements

These include elements of shared or allocated costs incurred by RSM Tenon and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance