

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company

BrabCo 670 Limited previously V-Fuels Biodiesel Limited

Company number

05402305

In the

HM High Court of Justice, Newcastle upon Tyne District Registry
(full name of court)

Court case number

1136 of 2009

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

I/We (a)

Steven Philip Ross of Tenon Recovery, Tenon House, Ferryboat Lane, Sunderland, Tyne and Wear, SR5 3JN, and

Robert Christopher Keyes of Tenon Recovery, Aquarium, 1-7 King Street, Reading, Berkshire, RG1 2AN

administrators of the above company attach a progress report for the period

(b) Insert date

From

(b) 6 April 2009

To

(b) 5 October 2009

Signed


 Joint Administrator

Dated

8 October 2009

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.

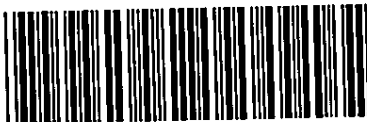
The contact information that you give will be visible to searchers of the public record

Steven P Ross
Tenon Recovery
Tenon House, Ferryboat Lane
Sunderland
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SR5 3JN

DX Number

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DX Exchange

TUESDAY



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COMPANIES HOUSE

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

2.2. Plant and Machinery, Motor Vehicles and Equipment

Certain of the Company's plant and machinery, motor vehicles and equipment were sold to Four Rivers Biofuels Limited previously FamenCo Limited on 6 April 2009 for total consideration of £164,001.00.

A number of additional motor vehicles have been identified as being owned by the Company during the Administration and James Sutherland (Auctioneers) Limited has been instructed to assist in the disposal of the same.

2.3. Trade Debtors

A total of £1,837.25 has recovered from the Company's trade debtors.

2.4. Cash at Bank

A total of £132,738.61 was recovered on the closure of the Company's business current account.

3. Administrators' Proposals

I can confirm that creditors approved the Joint Administrators' proposals previously circulated in accordance with Rule 2.33(5) of the Insolvency Rules 1986.

4. Dividend Prospects

4.1. Secured Creditors

A debenture was granted in favour of Capita Trust Company Limited (as security trustee) on 28 March 2008. It is envisaged that the secured creditors indebtedness' will not be fully repaid under the terms of their fixed charge over certain of the Company's assets.

The secured creditors will, therefore, be relying on their floating charge over the remaining assets of the Company's for the repayment of the shortfall under their fixed charge. This is subject to a prescribed part fund being set aside specifically for unsecured creditors (see below).

4.2. Preferential Creditors

The employees' claims for arrears of pay, holiday pay, wages in lieu of notice and redundancy have been dealt with by the Redundancy Payments Office under the Insolvency Provisions of

the Employment Rights Act 1996 and preferential claims amounting to £44,846.77 have been received in respect thereof.

Whilst it is envisaged that preferential creditors will be repaid in full (subject to the final claims received), no distributions have been made to preferential creditors as it is considered that a subsequently appointed Liquidator would better deal with this.

4.3. Unsecured Creditors and the Prescribed Part

Since the debenture in favour of Capita Trust Company Limited (as security trustee) follows the commencement of the provisions of Section 176A of the Act, the Joint Administrators are required to set aside a "Prescribed Part" fund specifically for unsecured creditors. Such a fund will not apply should the Company's net property amounts to less than £10,000.00 and the Joint Administrators consider that the cost of making such a distribution would be disproportionate to the benefits. The prescribed part will be calculated at 50% up to £10,000.00 and 20% of the property that exceeds this amount.

No distribution has been made to the unsecured creditors during the Administration as the Joint Administrators consider that a subsequently appointed Liquidator would better deal with this. It should be noted that any prescribed part will be based upon the Company's net assets after paying the costs of the Administration and Liquidation processes.

5. End of Administration

As outlined in the initial report to creditors it is the Joint Administrators intention to exit the Administration into Creditors' Voluntary Liquidation.

As no extension to the prescribed time limit has been sought, we will be commencing this action shortly. A final progress report in relation to the Administration will be sent to creditors following the discharge.

Upon the Company either proceeding into Creditors Voluntary Liquidation or dissolution, the Joint Administrators discharge from liability, pursuant to paragraph 98 of Schedule B1 shall take effect 14 days following either the Company entering into liquidation or filing the notice of moving from Administration to dissolution.

6. Remuneration

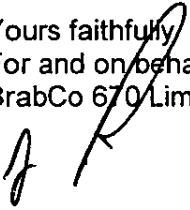
The Joint Administrators proposals provided for the Joint Administrators to be remunerated with reference to time properly spent in dealing with this matter. The Joint Administrators will be seeking agreement for such remuneration from each of the secured creditors and 50% of the preferential creditors pursuant to Rule 2.106(5A) of the Rules.

The Joint Administrators' time costs to date amount to £37,595.00 plus disbursements of £264.00. In accordance with Statement of Insolvency Practice 9 I have attached, at *Appendix III*, a breakdown of these time costs. Of these costs, remuneration of £Nil and disbursements of £Nil have been drawn to date.

7. Further Information

Should you have any queries please do not hesitate to contact Steven J Brown of this office.

Yours faithfully
For and on behalf of
BrabCo 670 Limited previously V-Fuels Biodiesel Limited



Steven P Ross
Joint Administrator

Licensed to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales

Enclosure:

Company Information

| | |
|-------------------|---|
| Company Name | BrabCo 670 Limited previously V-Fuels Biodiesel Limited |
| Company Number | 05402305 |
| Registered Office | c/o Tenon Recovery Tenon House, Ferryboat Lane Sunderland Tyne and Wear SR5 3JN |
| Trading Address | Cambois Bedlington Northumberland NE22 7BA |

Appointment details

| | |
|-------------------------|---|
| Administrators | Steven Philip Ross and Robert Christopher Keyes |
| Administrators' address | c/o Tenon Recovery Tenon House, Ferryboat Lane Sunderland Tyne and Wear SR5 3JN |
| Date of appointment | 6 April 2009 |
| Court | HM High Court of Justice, Newcastle upon Tyne District Registry |
| Court Reference | 1136 of 2009 |
| Appointed by: | Directors |
| Functions: | Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone. |
| EC Regulations: | The Company's registered office is from where the Company carries on its business. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom and as such these proceedings will be the main proceedings as defined in article 3 of the EC regulation as. |
| Extensions: | The Administrators have not sought an extension to the period defined by Paragraph 76(1) of Schedule B1 of the Act that provides for the automatic end of the Administration after 12 months from the date of appointment. |

Appendix II

Joint Administrators' Abstract of Receipts and Payments

**BrabCo 670 Limited previously V-Fuels Biodiesel Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
To 08 October 2009**

| | Fixed Charge £ | Floating Charge £ | Total £ |
|-----------------------------|-------------------------------|----------------------------------|--------------------|
| RECEIPTS | | | |
| Goodwill | 1.00 | | 1.00 |
| Other intangible assets | 6.00 | | 6.00 |
| Freehold land and buildings | 1.00 | | 1.00 |
| Other tangible assets | 1.00 | | 1.00 |
| Investments | 1.00 | | 1.00 |
| Plant and machinery | | 145,000.00 | 145,000.00 |
| Motor vehicles | | 19,500.00 | 19,500.00 |
| Equipment | | 1.00 | 1.00 |
| Trade debtors | | 1,837.25 | 1,837.25 |
| Cash at bank | | 132,738.61 | 132,738.61 |
| VAT payable | | 24,676.65 | 24,676.65 |
| | <u>10.00</u> | <u>323,753.51</u> | <u>323,763.51</u> |
| PAYMENTS | | | |
| Agents/Valuers fees | | 4,542.77 | 4,542.77 |
| Legal advice and costs | | 29,418.05 | 29,418.05 |
| Statutory advertising | | 211.39 | 211.39 |
| VAT receivable | | 5,035.42 | 5,035.42 |
| | 0.00 | 39,207.63 | 39,207.63 |
| Balances in Hand | 10.00 | 284,545.88 | 284,555.88 |
| | <u>10.00</u> | <u>323,753.51</u> | <u>323,763.51</u> |

Appendix III

Information relating to Joint Administrators' Remuneration

Office Holder Remuneration

| | | |
|---------------------|---|-----------------|
| Case Name | BrabCo 670 Limited previously V-Fuels Biodiesel Limited | |
| Court | HM High Court of Justice, Newcastle upon Tyne District Registry | |
| Court reference | 1136 of 2009 | |
| Office Holders | Steven Philip Ross | IP Number: 9503 |
| | Robert Christopher Keyes | IP Number: 8841 |
| Firm | Tenon Recovery | |
| Address | c/o Tenon House, Ferryboat Lane, Sunderland, Tyne and Wear, SR5 3JN | |
| Type of Appointment | Administration | |
| Date of Appointment | 6 April 2009 | |

1. Overview of Case

1.1. Appointment

I was appointed Administrator on 6 April 2009.

2. Explanation of office-holders charging and disbursement recovery policies

2.1. Time recording

Time properly incurred on cases is charged to the assignment at the hourly rate prevailing at the time. The current hourly charge-out rates are outlined below:

| | |
|---|---------|
| | £ |
| Director and Licensed Insolvency Practitioner | 225-280 |
| Manager | 160-215 |
| Other senior professional | 110-205 |
| Assistant and support staff | 50-140 |

2.2. Disbursement recovery

Certain costs may be incurred in relation to a case and in the first instance, paid by Tenon Recovery, and then recharged to the case. The amount recharged is the exact amount incurred. Examples are statutory bond, statutory advertising, land registry searches, insurance, travel and subsistence, archiving and storage costs.

3. Description of work carried out

Section 4 of this appendix outlines the time costs to date in relation to activities undertaken during this matter. These matters can be summarised as follows:

3.1. Administration and planning

The following activities have been undertaken:

- > Statutory duties associated with the appointment including the filing of relevant notices;
- > Notification of the appointment to creditors, members, employees and other interested parties;
- > Setting up case files;
- > Reviewing available information to determine appropriate strategy;
- > Setting up and maintaining bank accounts;
- > 6 monthly progress review of the case.

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

3.2. Investigations

The time spent comprises:

- > Corresponding with the former directors and management;
- > Review of questionnaires and comments provided by interested parties;
- > Review of company documentation;
- > Liaising with the creditors' committee on such matters; and
- > Completion of statutory returns to the Department of Trade and Industry.

Due to the complex nature and importance of the investigations, the staff utilised to conduct such work involved experienced members of staff.

3.3. Realisation of assets

Please refer to **Appendix II** for a summary of assets realised.

3.4. Creditors

The time spent includes the following matters

- > Recording and maintaining the list of creditors;
- > Dealing with employee related matters;
- > Dealing with reservation of title claims;
- > Recording creditor claims
- > Reporting to creditors;
- > Meetings of creditors;
- > Dealing with creditor queries;
- > Reviewing and evaluating creditor claims;

4. Time and charge-out summary

To date a total of 202.9 hours have been spent at an average charge out rate of £185.29 bringing the total cost to date to £37,595.00. In accordance with a resolution passed by creditors £Nil has been drawn to date.

A summary table is shown below:

| Classification of work | Director / Insolvency Practitioner | Manager | Hours Other senior profess. | Assistant and support staff | Total | Cost | |
|-------------------------|--|---------|--------------------------------------|-----------------------------------|-------|-----------|-------------------------------|
| | | | | | | Total (£) | Average hourly rate (£) |
| Administration/planning | 28.5 | 49.2 | 3.1 | 12.4 | 93.2 | 16,759.00 | 179.82 |
| Investigations | 0.0 | 4.0 | 0.0 | 0.0 | 4.0 | 640.00 | 160.00 |
| Realisations of assets | 37.0 | 7.7 | 0.0 | 0.0 | 44.7 | 11,599.00 | 259.49 |
| Creditors | 0.0 | 36.9 | 21.7 | 2.4 | 61.0 | 8,597.00 | 140.93 |
| Total | 65.5 | 97.8 | 24.8 | 14.8 | 202.9 | 37,595.00 | 185.29 |

The above costs exclude VAT.

5. Disbursements

5.1. Category 1

Category 1 disbursements incurred are outlined below:

| | Incurred £ | Paid £ |
|-----------------------|---------------|-----------|
| Specific penalty bond | 264.00 | Nil |
| Total | 264.00 | Nil |

The above costs exclude VAT.

5.2. Category 2 disbursements

No Category 2 disbursements have been charged to this matter.