

The Insolvency Act 1986

**Administrator's progress report**

Name of Company

Amsol Finance Limited

Company number

06290461

In the

High Court Manchester District Registry

(full name of court)

Court case number

4050 of 2013

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

I (a)  
David E M Mond FCA FCCA  
Hodgsons  
Nelson House  
Park Road  
Timperley  
WA14 5BZ

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

From

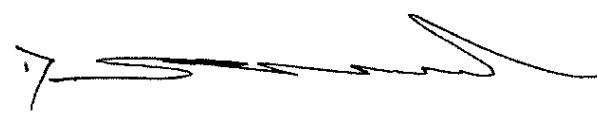
To

(b) Insert date

(b) 7 October 2013

(b) 6 April 2014

Signed

  
 Administrator

Dated

02 May 2014

**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

David E M Mond FCA FCCA  
Hodgsons  
Nelson House  
Park Road  
Timperley  
WA14 5BZ

DX Number 26356 Timperley

Tel 0161 969 2023

SATURDAY



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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**

**Administrator's Progress Report for the period**

**7 October 2013 to 6 April 2014**

**Amsol Finance Limited - In Administration**

**2 May 2014**

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## **APPENDICES**

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## **THE ADMINISTRATOR'S PROGRESS REPORT**

### **1 Statutory information**

- 1 1 David E M Mond FCA FCCA was appointed Administrator of the Company on 7 October 2013. The appointment of an Administrator was made by the director of the company and sealed by the Court on same date.
- 1 2 This Administration is being handled by Hodgsons at Nelson House, Park Road, Timperley, WA14 5BZ. The Administration is registered in the High Court Manchester District Registry, reference number 4050 of 2013.
- 1 3 The trading address of the Company is Nelson House, Park Road, Timperley, WA14 5BZ.
- 1 4 The registered office of the Company is Nelson House, Park Road, Timperley, WA14 5BZ, having been changed on the date of Administration and its registered number is 06290461.

### **2 Progress of the Administration**

- 2 1 Attached at Appendix A is my Receipts and Payments Account for the period from 7 October 2013 to 6 April 2014.
- 2 2 Since the date of the Administrator's proposals, the Administrator has continued to work down the existing work-in-progress using two employees from Arch Hall Limited ("Arch Hall"), as outlined in Paragraph 3.1 of the Proposal. As shown in the Administrator's Trading Account at Appendix A, since the Administration, sales of £33,276.50 have been achieved. At Appendix D of the Proposal, there was outlined the staffing costs relating to the two employees' salaries who were processing the claims. Furthermore, the debt collection expenses refer to the agreed 22.5% fee paid to Arch Hall of all fees generated, as outlined at Appendix D of the Proposal. The other associated cost of working down the work-in-progress is outlined in the Trading Account attached to this report. There is presently a trading surplus of £2,525.39. The Administrator intends to continue working down the work-in-progress as there are still 336 PPI mis-selling claims outstanding. It is anticipated that this may take longer than a further six months as 145 of these live claims have been referred to the Financial Ombudsman Service and their response time can be up to 2 years.

**Amsol Finance Limited - In Administration**  
**Administrator's Progress Report**

- 2.3 The Trade Debtors at Appendix A relate to the pre-appointment invoices which had been raised for work carried out in collecting PPI mis-selling compensation for clients. The Administrator and his staff have had sole conduct of chasing these debtors, rather than the post-appointment invoices where the Arch Hall staff has been responsible for chasing payment. £21,568.84 has been collected in trade debtors to date and the pursuit of the remaining debtors is continuing. The Administrator has written to all debtors on three separate occasions, plus a J H Lyons Solicitor Office letter has been sent to all debtors who have failed to respond. Where debtors have failed to respond and the individual debt owed is less than £100, the Administrator has written off this debt as it is not commercially viable to pursue it. In the case of 13 debtors where the individual debt is in excess of £750 and no response has been received, statutory demands have been issued and bankruptcy proceedings will be commenced against those debtors who have failed to pay within the deadlines imposed by the statutory demand.
- 2.4 On 19 December 2013, we received a refund from Trafford College in respect of an apprentice who had failed to remain with the Company within the required time frame.
- 2.5 In accordance with Statement of Insolvency Practice No 13 (SIP13), I would advise you that the following assets were sold to a director of the Company:

Date of transaction	Asset involved and nature of transaction	Consideration Paid and Date	Sold to	Relationship
16 October 2013	Printer & 7 Monitors	£1,175.00 plus VAT	Christopher Holmes	Director

As outlined in the Administrator's Proposals at Paragraph 3.2, this transaction took place post appointment and further details can be found in the Proposals.

### **3 Assets still to be realised**

- 3.1 The work-in progress is still being collected and as outlined in Paragraph 2.2, the Administrator is still dealing with 336 PPI mis-selling claims. Furthermore, the Administrator is continuing to chase the outstanding debtors as outlined in Paragraph 2.3.
- 3.2 The Administrator is still making enquiries in respect of Other Debtors totalling £74,186.00. This is in respect of two payments made just prior to the Company entering into Administration, and the Administrator has instructed, J H Lyons Solicitors Office, who has been in communication with one of the debtors solicitors and with the other debtor directly.

### **4 Investigations**

- 4.1 In accordance with the Company Directors Disqualification Act 1986 the Administrator has submitted a report on the conduct of the Director of the Company to the Department for

**Administrator's Progress Report**

Business Innovation & Skills (**BIS**) As this is a confidential report, the Administrator is not able to disclose the contents of same

- 4 2 Shortly after his appointment, the Administrator 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 his request to complete an investigation questionnaire Such investigations have not revealed any issues requiring further report, however the Administrator failed to receive any evidence to support the claims made by Mr Stuart Solomons, details of which can be found in Paragraph 2 1 of the Proposals The Administrator instructed, J H Lyons Solicitors Office and Counsel, Mr Louis Doyle to issue a Section 236 application against Mr Geoffrey Underhill of Abacus Solicitors LLP for failing to provide information ostensibly that he had Despite Mr Underhill failing to provide the information that had been requested of him, the matter went to Court and the Administrator was awarded his costs totalling £4,726 12 It was established that the alleged information that Mr Underhill purported to have never existed in the first place

**5 Pre-administration Costs**

- 5 1 On 16 December 2013 the following amounts in respect of pre-administration costs were approved and these costs have now been drawn in full

Name of recipient	Brief description of services provided	Total amount approved
Hodgsons	Initial Advice, Meetings and Appointment Docs	£4,255 plus VAT
J H Lyons Solicitor	Legal costs relating to appointment	£2,500 plus VAT
Louis Doyle	Legal costs relating to appointment	£5,000 plus VAT

**6 Administrator's Remuneration**

- 6 1 The creditors approved that the basis of the Administrator's remuneration be fixed by reference to the time properly spent by the Administrator and his staff in attending to matters arising in the Administration

- 6.2 The standard time costs for the period from 7 October 2013 to 6 April 2014 are £78,956.50. This represents 219.50 hours at an average standard rate of £359.71 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity time incurred by staff grade during this period in respect of the standard charge-out rate fixed by reference to time properly spent in managing the Administration. To date, £17,500 plus VAT has been drawn on account of Administrator's fees in addition to the approved pre-Administration fees outlined at Paragraph 5.1. Disbursements of £1,114.50 have been drawn to date as outlined on the Receipts & Payments Account at Appendix A in addition to the approved pre-Administration costs outlined at Paragraph 5.1.

The work carried out by the Administrator and his staff has been categorised into the following task headings and sub categories:

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case file and insolvency case record, statutory reporting, compliance, cashiering, accounting, tax matters and all other statutory requirements
- **Trading** includes the ongoing trading of the Company during the Administration
- **Investigations** includes investigating the Company's affairs and in particular any antecedent transactions which includes performing a review of the bank statements and accounting records and also reporting on the conduct of the sole director.
- **Correspondence** includes all correspondence between the Administrator and his staff between all interest parties, including creditors and debtors
- **Realisation of assets** includes collection of all debts
- **Creditors** includes set-up of creditor records, creditor communications, dealing with all creditor claims including their adjudication
- **Meeting of creditors** includes preparing the necessary paperwork for the first meeting of creditors held on the 16 December 2013, including preparing the Proposals and also dealing with all proxies in advanced of that meeting. Furthermore, it includes the preparation with drafting the progress report to creditors

- 6.3 A copy of 'A Creditor's Guide to Administrators' Fees' (for cases post November 2011) is available on request or can be downloaded from [www.hodgsons.co.uk](http://www.hodgsons.co.uk) on the 'Free Guides' page
- 6.4 Attached as Appendix D is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of Hodgsons current charge-out rates by staff grade and considerations in respect of any up-lift attributable
- 6.5 Since the 7 October 2013, Category 2 disbursements have been charged as outlined in Appendix D

## 7 Administrator's Expenses

The following expenses have been incurred since the appointment

Supplier/ Service Provider	Nature of expense incurred	Amount incurred to date £	Paid to date £	Amount Outstanding £
J H Lyons Solicitors	Legal costs relating to advice on debtor collection and validity of appointment	5,000 plus VAT	0 00	5,000 plus VAT
Robson Kay & Co	Valuation of company's assets	500 plus VAT	500 plus VAT	0 00
Louis Doyle Barrister	Legal costs relating to debtor collection and creditor correspondence	10,000 plus VAT	0 00	10,000 plus VAT
Other Statutory Costs	Statutory advertising, bonding, court fee, mail redirection, company searches	614 50	614 50	0 00

## 8 Estimated outcome for creditors

8 1 An Estimated Outcome Statement as at 6 April 2014 is attached at Appendix C

### *Secured Creditors*

8 2 There are no secured creditors in this case

### *Preferential Creditors*

8 3 A summary of preferential claims is detailed below

Preferential claim	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1
Employee claims (Total number of claims = unknown)	unknown	11,828 00	0 00
Department for Business Innovation & Skills (BIS)	unknown	unknown	0 00

8 4 No dividend has been paid to preferential creditors to date

### *Unsecured Creditors*

8 5 Claims totalling £638,399 78 has been received from 12 creditors The Administrator has yet to receive claims from 6 creditors whose claims total £18,396 38 as per the Company's statement of affairs

**Administrator's Progress Report**

- 8 6 The Administrator has requested the final claim from the Redundancy Payments Office, if applicable, but they have still yet to provide their claim in this matter. A further update will be provided to creditors in the next report issued.
- 8 7 Antag Holding Limited submitted an unsecured claim of £279,646.77 for voting purposes at the first meeting of creditors. However, this claim has been rejected by the Administrator as Antag Holding Limited is not a creditor of the Company.
- 8 8 Furthermore, the Administrator received information following his appointment that Mr Stuart Solomons had paid off the debt owed to one creditor and has yet to submit a claim totalling £9,500. In addition, Mr Mike Seward paid off debts owed to two creditors and has yet to submit a claim totalling £289.38. The Administrator has not as yet seen any formal assignment of these debts to the respective individuals.
- 8 9 It is unknown at this stage whether there will be any dividend payable to any class of creditor. The Administrator is still working down the work-in-progress and it is unknown whether these claims will be successful, however, at Appendix C an Estimated Outcome Statement is provided.

**9 Ending the Administration**

- 9 1 The Administrator is considering which is the best way to finalise the Administration, because of the ongoing PPI mis-selling claims that are expected to continue for longer than the one year period of the Administration. The Administration cannot move to liquidation as the Company would be unable to retain its Ministry of Justice license to pursue the claims. Accordingly, it is anticipated that the Administrator will request that creditors consent to extend the Administration for a period of six months. If the creditors do not consent to this extension, then the Administrator will have no alternative but to apply to the Court for sanction to extend the Administration accordingly.
- 9 2 The Administrator will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect.

**10 Creditors' rights**

- 10 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.

**Administrator's Progress Report**

- 10 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

**11 Next report**

- 11 1 The Administrator is required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or he wishes to extend it

For and on behalf of Amsol Finance Limited (in Administration)

**David E M Mond FCA FCCA**  
Administrator

6 May 2013

**Amsol Finance Limited**  
**(In Administration)**  
**Administrator's Trading Account**  
**To 06/04/2014**

S of A £	£	£
POST APPOINTMENT SALES		
Sales	33,276 50	33,276 50
COST OF SALES		
Staff Costs	15,374 65	(15,374 65)
TRADING EXPENSES		
Debt Collection Expenses	3,882 94	
Postage	726 71	
Scanner	324 17	
Motor Expenses	165 24	
Stationery and Printing	180 46	
PPI Software	850 00	
Referral Fees	6,946 00	
Sundry Expenses	365 00	
Bank Charges and Interest	599 21	
Ministry of Justice Annual Fee	1,336 73	(15,376 46)
<b>TRADING SURPLUS/(DEFICIT)</b>		<b>2,525.39</b>

**Z2040 - Amsol Finance Limited - in Administration**

**Appendix B**

**Administrator's Time and Standard Charge-out Summary**

CLASSIFICATION OF WORK FUNCTION	PARTNER Time (Hrs)	MANAGER Time (Hrs)	OTHER SENIOR PROFESSIONALS Time (Hrs)	ASSISTANT & SUPPORT STAFF Time (Hrs)	TOTAL Time (Hrs)	TOTAL Costs (£)	AVERAGE HOURLY VALUE (£)
Trading	4 70	24 80	0 00	0 00	29 50	9 255 00	313 73
Tax - Company	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Statutory	0 00	7 10	2 00	8 30	17 40	3 405 50	200 89
VAT	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Correspondence	10 80	13 90	0 00	0 70	25 40	10 589 50	416 91
Dividends	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Investigation	13 50	5 80	0 00	0 00	19 30	10 225 00	529 79
Pensions	0 00	0 00	0 00	0 00	0 00	0 00	0 00
General Administration	11 60	20 80	5 00	3 40	40 80	14 699 00	360 27
Insurance Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Meeting of Directors	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Meeting of Creditors	6 50	19 60	0 00	0 00	26 10	9 125 00	349 62
Creditors Queries	9 50	2 50	0 00	1 00	13 00	6 935 00	533 46
Travel	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Wages / Employees claims	0 00	0 50	0 00	16 00	16 50	3 837 50	232 58
Legal Matters	3 80	7 80	0 00	0 00	11 60	4 420 00	381 03
Closures	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Sale of Assets	3 50	2 10	0 00	0 00	5 60	2 800 00	500 00
Debtor Collection	0 00	14 30	0 00	0 00	14 30	3 575 00	250 00
Liquidation Committee	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Filing	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Fee Discussion	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Reading Over	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total</b>	<b>63 90</b>	<b>119 20</b>	<b>7 00</b>	<b>29 40</b>	<b>219 50</b>	<b>78 956 50</b>	<b>359 71</b>

## Appendix C

<b>Estimated Outcome Statement as at 6 April 2014</b>			
	<b>Per R&amp;P</b>	<b>Anticipated Additional Realisations</b>	<b>Total</b>
		<b>£</b>	
Work In Progress/Trading Surplus	2,525 39	75,000 00	77,525 39
Trade Debtors – Post Administration	21,568 84	10,010 00	31,578 84
Other Debtors	-	74,186 00	74,186 00
Office Equipment	1,175 00	-	1,175 00
Cash at Bank	21,512 50	-	21,512 50
Interest Gross (est)	6 15	3 85	10 00
Sundry Refunds	1,500 00	-	1,500 00
	<b>48,287 88</b>	<b>159,199 85</b>	<b>207,487 73</b>
<b>Less</b>			
Pre-Administration Costs	11,755 00	-	11,755 00
Administrator's Remuneration (est)	17,500 00	107,500 00	125,000 00
Legal Costs	-	20,000 00	20,000 00
Other Associated Costs (est)	1,114 50	2,500 00	3,614 50
	<b>30,369 50</b>	<b>130,000 00</b>	<b>160,369 50</b>
Preferential creditors			11,828 00
Surplus available for unsecured creditors			<b>35,290 23</b>

**Appendix D**

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

**1 Policy**

Detailed below is this firm'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 appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The charge out rate schedule below provides details of all grades of staff and their experience level.

On this case the Administrator is using the services of the following sub-contractors

Service(s)	Provider	Basis of fee arrangement	Cost to date
Dealing with PPI mis-selling claims	Arch Hall Limited	Employees' salaries to be paid for duration of work	£17,841.04
		plus 22.5% of all fees generated	£4,441.41

**1.2 Professional Advisors**

On this assignment the Administrator has used the professional advisors listed below. The Administrator has also indicated alongside, the basis of Hodgsons fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
JH Lyons Solicitor (legal advice)	Hourly rate plus disbursements
Robson Kay & Co (valuation and disposal advice)	£500 plus VAT fixed fee
Louis Doyle Barrister (legal advice)	Hourly rate plus disbursements

The Administrators choice was based on his 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.

The following Category 2 disbursements have been incurred to date

Business Mileage

Nelson House to Manchester County Court – 14.8 miles @ 45p per mile - £6.66

Nelson House to Metropolitan House x 2 – 11.2 miles @ 45p per mile - £5.04 (x 2)

**2 Hodgsons Charge-out Base Rates and Disbursements**

**£**

Partners	550 - 650
Managers	250 - 350
Senior Clerks	200 - 250
Junior Clerks	135 - 200

Please note that Hodgsons charges its time in minimum units of six minutes. It should be noted that the above rates may increase from time to time over the period of the administration of an insolvency case. If this happens, Hodgsons will provide relevant information about the charge out rates in the next available report to creditors in accordance with the provisions of Statement of Insolvency Practice 9. The charge-out base rates increased on 1 May 2013 to the above rates and are applicable for all time incurred on cases since 1 May 2013.

The above base rates are indicative and refer to what Hodgsons may apply on insolvency cases. These base rates are subject to an uplift factor of between 0.10 and 6 by reference to the skill and knowledge required for the work, the seniority of the persons necessarily engaged upon it, the time occupied and the degree of the responsibility involved. Other factors that may be taken into consideration will be the complexity of the case, any responsibility of an exceptional kind or degree that may be required, and the value and nature of the assets involved.

The following Category 2 disbursements may be charged -

<b>Type</b>	<b>Rate</b>
	<b><u>£</u></b>
Printing	0.15 per sheet
Photocopying	0.15 per sheet
Colour Photocopying	2.50 per sheet
Fax	0.40 per sheet
Internal Storage - Standard Box	3.90 per quarter
Internal Room Hire	60.00
Business Mileage	45p per mile

A Creditors Guide to Administrator's Fees can be found online at [www.hodgsons.co.uk](http://www.hodgsons.co.uk)

Hard copies are available free of charge upon request

Updated May 2013