

The Insolvency Act 1986

Administrator's progress reportName of Company
Moshen LimitedCompany number
07031609In the High Court of Justice
Chancery Division
Companies CourtCourt case number
6049 of 2013(a) Insert full name(s) and
address(es) of
administrator(s)I / We (a) Zafar Iqbal of Cooper Young
Hunter House
109 Snakes Lane West
Woodford Green
Essex IG8 0DY

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

from

to

(b) Insert dates

(b) 01 March 2014

(b) 20 August 2014

Signed



Administrator

Dated 21 August 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.

	Tel
DX Number	DX Exchange

1 you have completed and signed this form please send it to the Registrar of Companies at
panies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff



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COMPANIES HOUSE

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FRIDAY



Chartered Accountants
Insolvency Practitioners

MOSHEN LIMITED
(In Administration)

Registered Number 07031609

Administrator's Second and Final Progress Report
For the period from 29 February 2014 to 20 August 2014

Cooper Young

Hunter House, 109 Snakes Lane West, Woodford Green, Essex IG8 0DY
Tel 0208 498 0163 Fax 0208 505 9797
mail@cyca.co.uk
Ref ZI/PB/ Moshen Ltd

TO ALL MEMBERS, CREDITORS

1. Statutory information

Date of Incorporation	28 September 2009
Company registered number	07031609
Registered office address	Hunter House, 109 Snakes Lane West, Woodford Green, Essex IG8 0DY
Principal business address	The Story Centre, Meeting House Lane, Lancaster, LA1 1TH
Directors	Graham Baines & Chris Akers
Shareholders	See attached schedule
Share Capital	5,733 Ordinary Shares of £1 each

2. Administrator's details

Name of the Administrator	Zafar Iqbal
Appointment date	30 August 2013
Court	High Court of Justice No 6049 of 2013
Persons making appointment	Directors
EC Regulation on Insolvency	EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are "main proceedings Within the meaning of Article 3 of the Regulation

3. Steps taken during the administration and progress to date

I dismissed all the company's employees immediately upon appointment as the company had no monies available to meet the wages of the employees. In the absence of any funds to trade the company, I decided that the objective of the Administration was best achieved by offering for sale the tangible and intangible assets as a whole rather than a sale on break up basis. I instructed Edward Symmons to value and market the assets, which they did by including sale particulars for the business on their web-site as well as sending details to known potential purchasers. The agents valued the assets at £20,000 on break up basis. Three independent parties showed an interest and offers of £25,000, £35,000 and £165,000 plus VAT were received. I accepted the highest offer and a pro forma invoice were raised by my agents against which they received the deposit of £60,000 from the prospective purchaser. However, before the deal could be completed, I received a letter from a firm of solicitors advising me that they had issued a winding up petition on 13 August 2013, i.e. prior to my appointment, in the Manchester District Registry. Since the directors do not have the power to appoint an Administrator once a winding up petition has been presented, my appointment as Administrator was invalid. The solicitors acting for the company made an urgent application on 11 September 2013 to the High Court to validate my appointment. In the meantime it also came to light that Concha Plc, where Chris Akers was also a director, had registered its debenture at Companies House on 3 September 2013, i.e. after my appointment on 30 August 2013.

On 18 September 2013, the High Court made a retrospective order for my appointment conditional upon Chris Akers providing an undertaking on behalf of Concha Plc that it would not to enforce its security against Moshen Limited or the Administrator, or to take any steps to rely upon the security against Moshen Limited, or to seek to register out of time the charge dated 16 August 2013 without leave of the Companies Court on good grounds shown. As a result of legal advice received by Concha Plc, Chris Akers declined to provide this undertaking. Consequently, the matter was left in limbo with the winding up petition due to be heard on 14 October 2013. I made contact with the petitioning creditor who agreed to support my appointment and for their petition to be dismissed because in their opinion the assets realisations would be better in Administration than in liquidation. The solicitors acting for the company made another application to the High Court, which was heard on 11 October 2013, following which my appointment as Administrator was validated, taking effect from 30 August 2013. The Court also allowed the costs of the applications to be paid as costs of the administration.

After the validation of my appointment, I approached the purchaser who made the highest offer of £165,000 to complete the deal which they declined to do. Their argument was that the assets of the company were previously worth this original amount because they could have kept most of the staff on and continued almost seamlessly with the work in progress and been able to collect the money from debtors as soon as possible. The purchaser made me a revised offer of £50,000 plus VAT. After some negotiations they increased the offer to £75,000 plus VAT which I accepted because it was still considerably more than the other offers on table and was greater than the break-up value of the assets.

4. Sale of Asset

My agents have sold the assets for £75,000 to a third party I will confirm that I have received the sale proceeds

The apportionment of the sale consideration is as follows

Plant, Equipment & Work In Progress	34,700
Intangible assets	20,000
Book Debts	20,000
Shares in Subsidiaries	300

	75,000

5. Administrator's receipts and payments account

I attach a summary of my receipts and payments account relating to the company for the period from when it entered Administration to 28 February 2014 and for the period 29 February 2014 to 04 August 2014 The information in the account is generally self explanatory, although additional information about the sale of assets is provided above The petitioning creditor's costs of £7,500 00 plus VAT have been paid as an expense of the administration in accordance with Insolvency Rule 2 67(1) (c), (d) and (g)

6. Administrator's remuneration

- 6 1 In accordance with the resolutions passed at the meetings of creditors held by correspondence on 25 November 2013, my remuneration is fixed and payable by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration In accordance with Statement of Insolvency Practice (SIP9), I attach a summary of my time costs for the period 29 February 2014 to 4 August 2014, by grade of staff and type of work This shows total time costs of £3,585 00 exclusive of VAT, which equates to 18 25 hours at an average hourly rate of £228 96 Also enclosed is a summary of my time costs for the whole period of administration from 30 August 2013 to 20 August 2014 This shows total time costs of £38,216 25 exclusive of VAT, which equates to 169 50 hours at an average hourly rate of £225 46 I have drawn £ 34,631 25 on account of my fees

A description of the routine work undertaken in the Administration is as follows

Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

Cashiering

- Maintaining and managing the administrator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS
- Reviewing and adjudicating on proofs of debt received from creditors

Investigations

- Review and storage of books and records
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into suspicious transactions
- Review books and records to identify any transactions or actions an administrator may take against a third party in order to recover funds for the benefit of creditors

Realisation of Assets

- Dealing with Edward Symmons, my agents and the purchaser
- Lraising with the company's bank regarding the closure of the account
- Dealing with VAT refunds

Other Actions

- We have spent 28 00 hours costing £9,012 50 plus VAT in dealing with the procedural issues, validation of my appointment, associated Court action and the further proceedings

7 Administrator's Expenses

- 7 1 Creditors also approved the basis for recharging disbursements that include an element of allocated cost or payments to outside parties in which my company or I have an interest. In this case the following costs falling into the above categories have been incurred and reimbursed

Type	£
Internal photocopying @ 10p per copy	52 10
Plain/Headed paper 10p per sheet, Fax 25p per sheet	75 40
Room hire @ £100 per meeting	Nil
Storage of case records – Energy Express - £50 per month	Nil
Mileage 40p per mile	Nil
Total	127 50

- 7 2 During the administration I have used the following professional advisors

Name of Professional Advisor	Service Provided	Basis of Fees	Paid	Accrued but not Paid
Edward Symmons	Agents & Auctioneers	One off payment	5,201 00	
Edwin Coe	Legal & Professional	Time costs basis	21,846 00	
Colman Coyle	Legal & Professional	Disputed		

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case. Edward Symmons acted as my agents to sell the assets. I have paid them £5,000 plus VAT plus disbursements of £241 20 inclusive of VAT. Colman Coyle acted for the directors to deal with the administration formalities and appointment of administrator. In view of the fact that due to winding up petition in existence, my appointment as administrator was invalid, Edwin Coe have challenged the costs being sought by Colman Coyle due to their failure to advise me of the existence of a Winding up Petition. Colman Coyle has intimated that they still believe they are entitled to be paid their costs. The total costs they are claiming are £14,867 38. Edwin Coe represented the administrator to have his appointment validated.

- 7 3 Attached please find this firm's charging and disbursement recovery policies, and would inform you that should members/creditors wish to view it, a guide to administrator's fees is published on the following website www.r3.org.uk/index.cfm?page=1591. However, if you would prefer it, a hard copy is available from this office.

8. Investigations

- 8 1 It was my duty as administrator to undertake an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, and the funds likely to be available to fund an investigation and the costs involved.

There are no matters that justified further investigation in the circumstances of this appointment.

8 2 Within six months of my appointment as administrator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company. I would confirm that my report has been submitted.

9 Outcome of the administration

9 1 The objective of the administration has been achieved by selling the assets of the company as a whole than would be likely if the company were wound up.

10 Ending the administration

10 1 In accordance with the terms of the proposals I took steps to place the company into Creditors Voluntary Liquidation by filing a notice of move from administration to liquidation with Registrar of Companies.

10 2 Following the registration of this notice on 20 August 2014, my appointment as administrator ceased and my appointment as liquidator commenced on the same date.

11 Further Information

11 1 An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the time limit.

11 2 An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question) apply to court to challenge the amount and/or basis of the liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.



Zafar Iqbal F C A , F A B R P
Administrator

Date 20 August 2014

Moshen Limited
(In Administration)

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 30/08/2013 To 28/02/2014 (£)	From 01/03/2014 To 20/08/2014 (£)	Total (£)
Plant & Equipment	1,500 00	20,000 00	0 00	20,000 00
Intangible Assets	30,000 00	22,700 00	0 00	22,700 00
Stock/WIP		12,000 00	0 00	12,000 00
Book Debts	50,000 00	20,073 93	0 00	20,073 93
Investment in Subsidiaries	NIL	300 00	0 00	300 00
Cash at Bank	2,850 00	7,974 13	0 00	7,974 13
Concha Plc		9,000 00	0 00	9,000 00
Bank Interest Net of Tax		0 25	0 00	0 25
		92,048 31	0 00	92,048 31

PAYMENTS

Petitioners Costs	0 00	7,500 00	7,500 00
Specific Bond	0 00	330 00	330 00
Pre Appointment Fees	7,500 00	0 00	7,500 00
Office Holders Fees	0 00	34,631 25	34,631 25
Agents/Valuers Fees (1)	5,201 00	0 00	5,201 00
Legal Fees (1)	0 00	20,028 00	20,028 00
Statutory Advertising	0 00	70 00	70 00
Bank Charges	8 00	0 00	8 00
	12,709 00	62,559 25	75,268 25

Net Receipts/(Payments)	79,339.31	(62,559 25)	16,780 06
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MADE UP AS FOLLOWS

Vat Receivable	2,540 20	12,509 45	15,049 65
Bank 1 Current	91,799 11	(75,068 70)	16,730 41
Vat Payable	(15,000 00)	0 00	(15,000 00)
	79,339 31	(62,559 25)	16,780 06


 Zafar Iqbal
 Administrator

Moshen Limited - In Administration
Period 30 August 2013 to 20 August 2014

SIP 9 TIME COST ANALYSIS

Classification of function	Partner Hours	Manager Hours	Other Professional Hours	Assistants & Support Staff Hours	Total hours	Time cost	Average hourly rate
Administration and planning	13 15	23 30		31 00	67 45	14,302 50	212 05
Investigations	5 40			3 45	8 85	2,321 25	262 29
Realisation of assets	6 50	7 40		7 20	21 10	5,025 00	238 15
Creditors	3 50	9 50		21 30	34 60	6,367 50	184 03
Employees Claims				9 50	9 50	1,187 50	125 00
Case specific matters (Validation of Admin Order, Court Action)	24 50			3 50	28 00	9,012 50	321 87
Total hours and cost	53 05	40 20		75 95	169 50	38,216 25	225 46
Average Rate	350 00	250 00		125 00		225 46	

COOPER YOUNG

CHARGE OUT RATES AND POLICY REGARDING STAFF ALLOCATION, SUPPORT STAFF, THE USE OF SUBCONTRACTORS AND THE RECHARGE OF DISBURSEMENTS

Charge out Rates

In accordance with the provisions of Statement of Insolvency Practice 9 ("Sip 9"), the charge out rates applicable to this appointment exclusive of VAT, are as follows

	From 1 July 2014 £ per hour	From 1 July 2013 £ per hour
Partners / Office Holders	375-400	350-375
Managers	250-300	225-275
Other senior professionals	120-200	100-180
Assistants & other support staff	95-120	85-110

We take an objective and practical approach to each assignment which includes active Partner involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is charged. Details of any subcontractor(s) used are given in the reports. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Professional Advisors

Details of any professional advisor(s) used are given in the reports. Unless otherwise indicated the fee arrangement for each will be based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, external storage, postage, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9") to the case, where appropriate.

Circulars to creditors

Plain/Headed paper	12p per sheet
Photocopying	10p per sheet
Fax	25p a sheet

Room Hire

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our meeting rooms, a charge of £100 plus VAT is levied to cover the cost of booking the room.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at the Inland Revenue approved rate, currently 45p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.