

The Insolvency Act 1986

Administrator's progress report

Name of Company Audio Bath Limited	Company number 07266312
In the High Court of Justice, Chancery Division <small>[full name of court]</small>	Court case number 3981 of 2014

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

We (a) Mark Shaw and Antony David Nygate of BDO LLP, 55 Baker Street, London, W1U 7EU

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

	From	to
(b) Insert date	(b) 17 June 2014	(b) 16 December 2014

Signed

Joint/administrator(s)

Dated

13/01/2015

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.

c/o Robert Ferne, BDO LLP, 55 Baker Street, London, W1U 7EU

Our Ref

Tel 020 7893 3562

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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COMPANIES HOUSE

MONDAY

13 January 2015

Please ask for Robert Ferne
Telephone 020 7893 3562**TO ALL KNOWN CREDITORS**

Dear Sirs

Audio Bath Limited ('ABL') - 07266312
Audio London Limited ('ALL') - 07279868
(together 'the Companies') - Both in Administration

It is now six months since my appointment in respect of the Companies. In accordance with Rule 2.47 of the Insolvency Rules 1986 I am now reporting the progress made in implementing the approved proposals and achieving the statutory purpose of the Administrations.

This report should be read in conjunction with my previous report dated 11 August 2014 which provides further details on the events leading up to the appointment of Administrators and the background of the Companies, copies of which are available upon request.

1 Statutory Information

The Joint Administrators are Mark Shaw and Antony David Nygate of BDO LLP, 55 Baker Street, London, W1U 7EU and they were appointed in respect of the Companies on 17 June 2014. Under the provisions of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 the Administrators carry out their functions jointly and severally and neither Administrator has exclusive power to exercise any function.

The Administrators were appointed by Mr Michael Kuhn of 32 Highbury Place, London, N5 1QP, being a Director of the Companies, pursuant to Paragraph 22 of Schedule B1 of the Insolvency Act 1986.

The Administration proceedings are dealt with in the High Court of Justice, Chancery Division and the court case number is 3980 of 2014 in respect of ALL and 3981 of 2014 in respect of ABL.

The Companies' registered office was changed from St James House, The Square, Lower Bristol Road, Bath, BA2 2BH to c/o BDO LLP, 55 Baker Street, London, W1U 7EU, shortly after my appointment as Joint Administrator. The Companies' registered numbers are detailed above.

I enclose, for your information, summaries of my receipts and payments to date showing a balance in hand of nil in respect of both ALL and ABL, together with a copy of my abstract account covering the last six month period, and report as follows

2 Receipts & Payments

I can advise that there have been no receipts and payments in the Administration of ALL or ABL

3 Pre Appointment Costs

I can advise that the only pre Administration cost were legal fees of £15,000 in respect of work undertaken by Osborne Clarke in relation to providing advice and assistance in the filing of the Administration appointment documentation of ABL and ALL. I can report that this cost has not yet been drawn from the Administration estates.

4 Assets

As previously reported, it is anticipated that ALL will receive a dividend from the Liquidation of AudioGO Limited, the main trading entity of the group. The timing and quantum of this dividend is not yet known.

5 Prospects for Creditors

Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 Companies has granted to a creditor a floating charge a proportion of the net property of the Companies must be made available purely for the unsecured creditors.

As mentioned above, it is anticipated that there may be a distribution from the Administrations by way of the prescribed part, should asset realisations be sufficient to do so

Creditors are invited to prove their debt, should they wish to do so

6 Future of the Administrations

As stated in the Joint Administrators proposals dated 11 August 2014, which were deemed approved in the absence of a meeting of creditors on 26 August 2014, it is anticipated that the Companies will move from Administration to Dissolution once all outstanding matters in the Administrations have been resolved

Should asset realisations be sufficient to make a distribution to unsecured creditors, the Companies will move to Creditors' Voluntary Liquidation

7 Joint Administrators' Remuneration

The creditors approved the Joint Administrators' remuneration on a time costs basis in the absence of a meeting of creditors 26 August 2014.

To date, time costs of £4,458 40, at an average cost of £122 32 per hour, have accrued but not yet been drawn in respect of a total of 36.45 hours of work carried out in administering the Administrations on an equal basis.

I provide at the end of this report an extract from the Insolvency Rules 1986 setting out the rights of creditors to request further information and/or challenge the remuneration or fees within the Administration.

8 Joint Administrators' Disbursements

I can advise that disbursements totalling £531 04 have accrued and not yet been drawn in respect of statutory advertising costs and the fidelity bonds in respect of ALL and ABL.

9 Other Matters

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint

If you require any further information regarding this matter, please do not hesitate to contact Robert Ferne on the above number

Please note, the affairs, business and property of the Companies are being managed by the Joint Administrators who act only as agents of the Companies and without personal liability.

Yours faithfully
~~For and on behalf of~~
The Companies



M. Shaw
Joint Administrator

Enc

Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Administrators' fees and expenses:-

Rule 2.48A Creditors' request for further information

(1) If—

- (a) within 21 days of receipt of a progress report under Rule 2.47—
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
- (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor, makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2.47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)

(2) The administrator complies with this paragraph by either—

- (a) providing all of the information asked for, or
- (b) so far as the administrator considers that—
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information

(3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—

- (a) the giving by the administrator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),
and the court may make such order as it thinks just

(4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2.109(1B) by such further period as the court thinks just

Rule 2.109 Creditors' claim that remuneration is or other expenses are excessive

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that—

- (a) the remuneration charged by the administrator,
- (b) the basis fixed for the administrator's remuneration under Rule 2.106, or
- (c) expenses incurred by the administrator,
is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Administrators' fees and expenses (continued):-

Rule 2.109 (continued)

(3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the administrator was entitled to charge,

(b) an order fixing the basis of remuneration at a reduced rate or amount,

(c) an order changing the basis of remuneration,

(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration,

(e) an order that the administrator or the administrator's personal representative pay to the Companies the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration

Audio London Limited - In Administration

There have been no receipts or payments for the period 17 June 2014 (date of appointment) to 16 December 2014

N B. The requirement to submit a statement of affairs has been revoked by the Joint Administrators pursuant to section 48(2)(a) of the Insolvency Act 1986

Audio Bath Limited - In Administration

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The Insolvency Act 1986

Administrator's progress report

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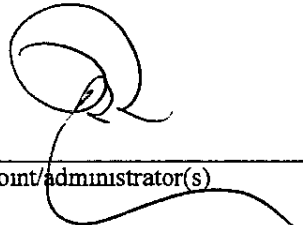
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