

The Insolvency Act 1986

**Administrator's progress  
report****2.24B**

Name of Company Hayden Marsh Limited	Company number 05599110
In the High Court of Justice Chancery Division Birmingham District Registry [full name of court]	Court case number 8032 of 2012

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

I/We (a) Alan Clifton and Michaela Heeley of Axiom Recovery LLP, Suite 2 -1<sup>st</sup> Floor,  
Turnpike Gate House, Birmingham Road, Alcester B49 5JG

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

(b) Insert dates

from (b) 20 January 2012	to (b) 19 July 2012
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Signed   
Joint Administrator

Dated 31 July 2012

**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

Axiom Recovery LLP	
Suite 2 -1 <sup>st</sup> Floor, Turnpike Gate House, Birmingham Road, Alcester B49 5JG	
Ref AC/MH/ES/H0828/10	Tel 01789 766 406
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies  
Companies

8, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff



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01/08/2012

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COMPANIES HOUSE

**HAYDEN MARSH LIMITED  
(IN ADMINISTRATION)  
Registered Number: 05599110**

**Court Ref: 8032 of 2012**

**High Court of Justice  
Chancery Division  
Birmingham District Registry**

**Joint Administrators' first progress report in accordance  
with Rule 2.47 of the Insolvency Rules 1986**

**Report period  
20 January 2012 to 19 July 2012**

**31 July 2012**

## **HAYDEN MARSH LIMITED – IN ADMINISTRATION**

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# **HAYDEN MARSH LIMITED – IN ADMINISTRATION**

## **1 INTRODUCTION**

This report has been produced in accordance with Rule 2.47 of the Insolvency Rules 1986 to provide creditors with an update on the progress of the administration of Hayden Marsh Limited ("the Company") for the period from 20 January 2012 to 19 July 2012. This is the Joint Administrators' first progress report to creditors.

## **2 STATUTORY INFORMATION**

Alan Clifton and Michaela Heeley were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice, Birmingham District Registry number 8032 of 2012 on 20 January 2012. The administration appointment was made by the Company's directors, Mr Andrew Marsh and Mrs Tamika Marsh.

The administration is being handled by the Alcester office of Axiom Recovery LLP, which is situated at Suite 2 – 1<sup>st</sup> Floor, Turnpike Gate House, Birmingham Road, Alcester B49 5JG.

The principal trading address of the Company was Hayden Marsh House, 1 Bobby Fryer Close, Warlington Road, Oxford OX4 6ZN. The business traded under its registered name.

The registered office address of the Company at the date of the appointment of Administrators was Hayden Marsh House, 1 Bobby Fryer Close, Warlington Road, Oxford OX4 6ZN. Following the appointment, this was changed to c/o Axiom Recovery LLP, Turnpike Gate House, Birmingham Road, Alcester B49 5JG. The registered number of the Company is 05599110.

For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Administrator may be exercised by all or any of the persons holding that office.

The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

## **3 JOINT ADMINISTRATORS' PROPOSALS**

Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration.

The Proposals were deemed to be approved on 21 March 2012.

The objective of the administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in Administration) and failing this, to realise property in order to make a distribution to one or more secured or preferential creditors.

The latter has already been achieved as the Administration has facilitated the enhanced collection of the Company's debtor ledger, which otherwise would have been subject to substantial counter claims resulting in a shortfall to the Company's secured creditor, Lloyds TSB Commercial Finance ("LTSBCF"). In fact, LTSBCF has been paid in full under the terms of the factoring agreement it held with the Company. The Administration of the Company also mitigated any preferential claims as the employees were all transferred under the TUPE Regulations to the purchaser of the business.

#### 4 PROGRESS OF THE ADMINISTRATION

Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 20 January 2012 to 19 July 2012

##### **Sale of Business**

As previously reported to creditors, the business and assets of the Company were sold in a pre-packaged sale on 20 January 2012 to Berry Recruitment Limited ('the Purchaser'), an unconnected company

The agreed sale consideration of £12,500 plus VAT, payable on completion of the sale, was apportioned as follows

<b>Asset</b>	<b>Consideration (£)</b>
Goodwill, Intellectual Property Rights & WIP	5,000 00
Office Furniture & Equipment	<u>7,500 00</u>
<b>Total</b>	<u><u>12,500 00</u></u>

The Purchaser has paid the sale consideration in full

##### **Book debts**

The Company's debtor ledger was subject to a factoring agreement with LTSBCF. In my previous report it was anticipated that the Company's indebtedness to LTSBCF would be repaid in full, including termination charges, and that a surplus would be available to the Joint Administrators

I can confirm that the indebtedness to LTSBCF has been discharged in full and the surplus of £1,442 63 has been received. The Joint Administrators have now taken over responsibility for the collection of the balance of the ledger which has a book value of £5,207 64. To date the sum of £1,180 78 has been collected and £4,026 86 remains outstanding. The extent of future recoveries is uncertain, however I anticipate these to be in the region of £3,900, subject to any unknown disputes

##### **Bank Interest Gross**

All realisations are held on an interest bearing account. The sum of £9 27 has been received in respect of bank interest

#### 5 ASSETS STILL TO BE REALISED

There are no other assets to be realised in this matter, subject to my further investigation into the Company's affairs, as stated below

##### **INVESTIGATIONS**

Following our appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate

The Joint Administrators' initial investigations have revealed certain transactions which require further explanation, particularly with regard to a potentially overdrawn director's loan account. The extent that this account is overdrawn has not yet been ascertained and may indeed have been repaid. Creditors will be updated in my next report with details of whether any further recoveries may be made from this source

## HAYDEN MARSH LIMITED – IN ADMINISTRATION

Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986. The content and extent of my report and disclosures is confidential and is not available to creditors.

### 7 JOINT ADMINISTRATORS' REMUNERATION

#### Pre-Administration Costs

The following pre-administration costs have been incurred

Charged by	Services provided	Total amount charged £
Axiom Recovery LLP	Dealing with the formalities of placing the Company into Administration and the formalities of the sale to the Purchaser	2,090 00
MGR Appraisals Limited	Valuation of goodwill, plant & machinery	750 00
<b>TOTAL</b>		<b><u>2,840 00</u></b>

The amount due to MGR Appraisals Limited, was taken at source from the sale consideration received and is reflected in my receipts and payments account at Appendix 1.

The Joint Administrators' pre-appointment costs of £2,090 were, in the absence of any preferential creditors and a statement in accordance with Para 52(1)(b) Schedule B1 Insolvency Act 1986 having been made, subject to the approval of the Company's secured creditor, LTSBCF. The Joint Administrators requested that their fees be approved by LTSBCF, by letter dated 7 March 2012.

Unfortunately LTSBCF did not wish to take responsibility for approving the Joint Administrators' fees as they had already been repaid in full under the terms of their agreement and believed they no longer had a relationship with the Company. As such, the Joint Administrators have no option but to apply to Court for these costs to be approved. The application has been submitted to the court and we are awaiting their response with regard to these costs.

#### Joint Administrators' Remuneration and Disbursements

As with the pre-administration costs above, the Administrators' Remuneration is subject to the approval of the Court. It has been requested that the fees incurred to the date of the court application be agreed on the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration.

The time charged by the Joint Administrators for the period of this report amounts to £13,550. This represents 54.7 hours at an average rate of £247.71 per hour. Attached at Appendix C is a time analysis which provides details of the activity costs incurred by staff grade during this period, along with a description of the work done by the Joint Administrators and their staff in respect of which the time has been charged.

Attached at Appendix D are details of Axiom Recovery LLP's current charge-out rates by staff grade.

No fees have been drawn to date.

The Joint Administrators would, ordinarily, also require approval in respect of the basis upon which they recharge internal disbursements that include an element of allocated costs. These are known as Category 2 costs. It is not this firm's practice to seek to recover these costs.

## HAYDEN MARSH LIMITED – IN ADMINISTRATION

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally comprise items such as case advertising and travel costs. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and storage of company records.

The Joint Administrators have incurred expenses during the period of this report. These expenses are detailed in the table below, which also indicates whether these expenses have yet been paid from the case funds.

Nature of expenses	By whom provided	Amount incurred this period £	Total amount incurred to date £	Amount paid £	Amount unpaid £
Solicitors' fees	HCB Solicitors	1,273 00	1,273 00	1,273 00	-
Statement of Affairs Fee	Beaumont Seymour Accountants	1,000 00	1,000 00	1,000 00	
IP bond	AUA Insolvency Risk Services Limited	40 00	40 00	-	40 00
Statutory Advertising	The Legal & Public Notices Advertising Agency	67 50	67 50	-	67 50
<b>TOTAL</b>		<b>2,380 50</b>	<b>2,380 50</b>	<b>2,273 00</b>	<b>107 50</b>

Unsecured creditors whose debts amount to at least 5% of the total value of the unsecured claims, or any secured creditor, may request further information regarding remuneration or expenses (other than pre administration costs) by submitting their written requests before 22 August 2012.

In addition, unsecured creditors whose debts amount to at least 10% of the total value of the unsecured claims, or any secured creditor, may apply to court, if they believe the remuneration charged or expenses incurred by the Joint Administrators to be excessive or the basis fixed for the Joint Administrators' remuneration to be inappropriate. Any application should be made within 8 weeks of receipt of this report.

## 8 ESTIMATED OUTCOME FOR CREDITORS

### Secured Creditors

The Company had a factoring agreement with Lloyds TSB Commercial Finance ("LTSBCF"), who also hold a debenture incorporating fixed and floating charges, created on 2 March 2009. On the date of appointment, LTSBCF were owed £37,000 against a corresponding ledger of £44,000. LTSBCF have been repaid in full under the terms of the factoring agreement, including termination charges.

Seeded Holding PTY Limited ("the Landlord") hold a legal charge, which was secured against the Company's rent deposit of £3,000. The rent deposit was utilised prior to the appointment of the Joint Administrators in order to recover unpaid rent and, accordingly, the balance owing to the Landlord ranks as an unsecured claim.

### Preferential Claims

The only categories of claims which have preferential status are those of employees in respect of wages and accrued holiday pay. As the Company's employees have been transferred to the Purchaser under the TUPE Regulations, no preferential claims have been received or anticipated.

## **HAYDEN MARSH LIMITED – IN ADMINISTRATION**

### **Prescribed Part**

As the secured creditor, LTSBCF, has been repaid in full (including termination charges) under the terms of the factoring agreement, there is no requirement to set aside a prescribed part in this case

### **Unsecured Non-Preferential Claims**

At present, it is considered unlikely that there will be sufficient funds available to enable a distribution to unsecured creditors

However, if you have not already done so, please submit details of your claim to my office. A statement of claim form is attached at Appendix E. Should the dividend prospects change, these claims will be collated and passed to any subsequently appointed Liquidator

## **9 EXTENSIONS TO THE ADMINISTRATION**

The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment

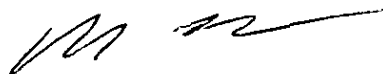
In certain circumstances it may be necessary to extend the Administrators' term of office. As a paragraph 52(1)(b) statement has been made and there are no preferential creditors, consent to an extension for a period not exceeding 6 months would ordinarily be sought from the secured creditor of the Company. However, as with the approval of the Joint Administrators' fees detailed above, in this case an application to Court would be necessary should an extension be required

## **10 NEXT REPORT**

The Joint Administrators are 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

If you wish to discuss the issues raised in this report or require any additional information please contact this office

Yours faithfully  
for and on behalf of  
Hayden Marsh Limited



**Michaela Heeley**  
**JOINT ADMINISTRATOR**

Licensed in the UK by the Insolvency Practitioners Association

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability



SUMMARY OF JOINT ADMINISTRATORS' PROPOSALS

- 1 The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration
- 2 If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company
- 3 If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors Voluntary Liquidation. It is further proposed that Alan Roy Clifton and/or Michaela Heeley be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved
- 4 In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved
- 5 The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company
- 6 The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Alan Roy Clifton and/or Michaela Heeley be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them
- 7 The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration

SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD  
FROM 20 JANUARY 2012 TO 19 JULY 2012

	Estimated to realise	This period
	£	£
<b>RECEIPTS</b>		
Goodwill and IP	5,000 00	5,000 00
Office Furniture & Equipment	7,500 00	7,500 00
Factoring Company Debtor Surplus	2,600 00	1,422 67
Book Debts	-	1,180 78
Bank Interest Gross	-	9 27
<b>TOTAL</b>	<u>15,100 00</u>	<u>15,112 72</u>
<b>PAYMENTS</b>		
Preparation of Statement of Affairs		1,000 00
Agents/Valuers Fees		750 00
Legal Fees		1,273 00
<b>TOTAL</b>		<u>3,023 00</u>
<b>BALANCE IN HAND</b>		<u>12,089 72</u>

SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD  
FROM 20 JANUARY 2012 TO 19 JULY 2012

See attached

# Time Entry - SIP9 Time & Cost Summary

H0828 - Hayden Marsh Limited  
Project Code POST  
From 20/01/2012 To 19/07/2012

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	4.30	0.40	0.00	30.30	35.00	9,076.00	259.31
Case Specific Matters	0.70	0.20	0.00	11.30	12.20	2,944.00	241.31
Creditors	0.10	0.00	0.00	3.90	4.00	701.00	175.25
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.40	0.00	0.00	3.10	3.50	829.00	236.86
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>5.50</b>	<b>0.60</b>	<b>0.00</b>	<b>48.60</b>	<b>54.70</b>	<b>13,550.00</b>	<b>247.71</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

AXIOM RECOVERY LLP HOURLY CHARGE OUT RATES

AS AT 6<sup>TH</sup> DECEMBER 2011

(A)	PARTNER	£400 - £500 PER HOUR
(B)	MANAGER	£250 - £400 PER HOUR
(C)	SENIOR PROFESSIONALS	£200 - £250 PER HOUR
(D)	ASSISTANT AND SUPPORT STAFF	£ 80 - £200 PER HOUR

STATEMENT OF CLAIM FORM

Date of administration order: 20 January 2012

Name of creditor.

\_\_\_\_\_

Address of creditor

\_\_\_\_\_

\_\_\_\_\_

Gross amount of claim  
(ie including VAT)

\_\_\_\_\_

Amount of VAT

\_\_\_\_\_

Details of any document by  
reference to which the debt can  
be substantiated  
(eg invoices)

\_\_\_\_\_

\_\_\_\_\_

Particulars of how and when  
debt incurred:

\_\_\_\_\_

\_\_\_\_\_

Particulars of any security held,  
the value of the security and the  
date it was given.

\_\_\_\_\_

\_\_\_\_\_

Signature of creditor or person  
authorised to act on his behalf

\_\_\_\_\_

Name in BLOCK CAPITALS

\_\_\_\_\_

Position with or relation to  
creditor

\_\_\_\_\_

\_\_\_\_\_