

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company A&H Gadd Limited	Company number 01722668
In the Bristol District Registry [full name of court]	Court case number 3408 of 2009

(a) Insert full name(s) and address(es) of administrator(s) I/We (a) Simon Edward Jex Girling and Graham David Randall of BDO LLP, One Victoria Street, Bristol, BS1 6AA

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

(b) Insert date	From	to
	(b) 10 December 2009	(b) 10 June 2010

Signed


 Joint/administrator(s)

Dated

29 June 2010

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.

BDO LLP, One Victoria Street,	
Bristol, BS1 6AA.	
Our Ref SEG/SFW/2303/A6	Tel 0117 930 1500
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

WEDNESDAY



Tel +44 (0)117 930 1500
Fax +44 (0)117 930 1506
www.bdo.co.uk

One Victoria Street
Bristol BS1 6AA

29 June 2010

Your Ref
Our Ref SEG/SFW/2303/A6

Please ask for
Sarah Whiteside
0117 9301582

TO ALL CREDITORS

Dear Sirs

A&H Gadd Limited - In Administration

It is now six months since my appointment in respect of the Company. 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 Administration. I am also in a position to conclude the Administration and, in accordance with the agreed revised proposals, to proceed to liquidation. This is my final report in respect of this Administration and should be read in conjunction with my proposals dated 1 February 2010.

I enclose, for your information, a summary of my receipts and payments to date showing a balance in hand of £31,964 which I will transfer to over to the liquidation, together with a copy of my abstract account covering the last six month period, and report as follows:

Statutory Information.

The Joint Administrators are Simon Edward Jex Girling and Graham David Randall of BDO LLP, One Victoria Street, Bristol, BS1 6AA and they were appointed in respect of the above company on 10 December 2009. Under the provisions of paragraph 100(2) of schedule B1 of the Insolvency Act 1986 the Administrators carry out their functions jointly and severally.

The administrators were appointed by Barclays Bank Plc being a qualifying floating charge holder, pursuant to Paragraph 14 of schedule B1 of the Insolvency Act 1986. The Administration proceedings are dealt with in the Bristol District Registry and the court case number is 3408 of 2009.

The company's registered office is situated at One Victoria Street, Bristol, BS1 6AA and the registered number is 01722668.

Receipts

The receipts shown are largely self-explanatory, although I would comment specifically on the following:

Freehold Land and Property

The company owned six ransom strips of land, I appointed property agents, Lambert Smith Hampton, to value and sell these. Four of these were valued as actual or potential liabilities. I



received several offers for two of the pieces of land, the highest offer was from the director for £31,003. I accepted this offer on the condition that the director bought all of the ransom strips except for a small parcel of land at Dunchideock.

Plant and Machinery

Upon my appointment I instructed agents, GoIndustry DoveBid, to value and sell the chattel assets. I have received proceeds of £21,100 from the sale, this was in excess of their initial valuation of £20,850.

Book Debts

At the date of appointment the company had outstanding debts and retentions of £1,273,000. The retentions are being collected by Alder King as my agent, however, due to defects, disputes and snagging works, the realisations are expected to be at best in the region of £380,000

Many of the book debts are contentious, I have instructed solicitors to pursue these where there is some prospect of recovery of these and they have issued legal proceedings in several matters

Insurance Refunds

The company prepaid its insurance. I have received two refunds totalling £4,006.

Rates Refund

I have received a refund of £7,474 from Taunton Deane Council relating to the rates prepaid on the company's offices at Ash House, Taunton.

Water Refund

I have received refunds totalling £4,477 in respect of prepayments on the company's water account.

Payments

Legal Fees

Legal fees relate to issuing proceedings against debtors, verifying my appointment and preparing the sale contract for the ransom strips

Settlement of Rent

The company rented office premises at Ash House, Taunton, the lease of this premises was surrendered in April 2010, as a result rent was due for the period from appointment to this date. I negotiated with the landlord and agreed to settle the rent at £9,999.

ERA Costs

All of the employees were made redundant on my appointment, I instructed ERA solutions Limited to complete the forms relating to their employment and deal with the company pension scheme

IT Services

On my appointment I paid for the IT system to be downloaded onto disks to assist me with my investigation of the company's activities.

Debt Collection Fees & Directors Mileage

Two of the directors of the company are assisting Alder King in collecting the book debts and retentions, I have agreed to pay the directors based on the realisations they achieve.

Agents' and Valuers' Fees

I have paid £7,405 to GoIndustry DoveBid for the valuation and sale of the chattel assets and £14,201 to Lambert Smith Hampton for their assistance in dealing with the ransom strips.

Telephone Telex and Fax

I have kept the telephones of the directors assisting me with the debt collection, to date I have paid £762

Emptying of Septic Tank

The company owned and held the contract to empty a biological sewerage treatment plant at Dunchideock I have arranged for this to be emptied, and maintained.

Storage Costs

I have paid £3,020 for the storage and destruction of company records.

Other Business Expenses

I have paid £156 for gas that was used post appointment at the company's offices.

Future of the Administration

I can confirm that the amended proposals sent on 16 June 2010 were approved by creditors. I received proxies from 117 creditors and both the first and second resolution were approved with the following majorities:

		For (£)	Against (£)
Resolution 1	"The proposals be amended so that the Company can exit the administration by way of a creditors' voluntary liquidation under paragraph 83 of schedule B1 of the Insolvency Act 1986."	702,499.65	3965.55
Resolution 2	"That should the Company exit the Administration by way of a creditor's voluntary liquidation, Graham Randall and Simon Girling will be the joint liquidators and will act jointly and severally."	569,567.60	32,352.18

I am therefore exiting the Administration by way of Creditors' Voluntary Liquidation ("CVL") I enclose form 2.34B in this respect

The Administration will end on the day that Companies House registers form 2.34B and the CVL will commence immediately from that date. On notification of registration I shall transfer the current balance in hand to a CVL bank account, together with the VAT refund due for the period, once received

Prospects for Creditors

Preferential creditors total c£96,000 and there is likely to be a full payment distribution to the preferential creditors following the realisation of further assets.

The company has two qualifying floating charge holders ("QFCH") these are Barclays Bank Plc ("Barclays") and Heritable Bank Limited - In Administration ("Heritable") Barclays hold a cross guarantee across several of the Gadd group companies.

Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 company has granted to a creditor a floating charge a proportion of the net property of the company must be made available purely for the unsecured creditors. The company has not granted a floating charge to any creditor after the 15 September 2003 and consequently there will be no prescribed part in this administration.

However, I now believe that it is possible that a distribution to unsecured creditors may become payable. The extent and quantum of any dividend will be subject to any distribution to A & H Gadd Limited from another company in the Gadd group

Administrators' Remuneration

Barclays as qualifying floating chargeholder has already approved the Administrators' remuneration on a time costs basis and to date I have drawn £25,000.00 in respect of remuneration as shown on the attached receipts and payments account. I attach a schedule which summarises the time costs accrued to date and indicates the work undertaken in that respect. I will request unsecured creditors for authorisation to draw any further administration remuneration following my appointment as liquidator.

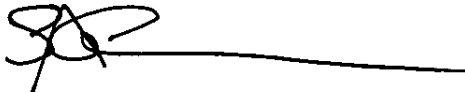
Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. I therefore report that since my last report the sum of £9,492.68 has been drawn in respect of category 1 disbursements for ERA solutions fees, TLT Solicitors fees, land registry fees, travel expenses, postage and statutory advertising

Some administrators recharge expenses for example postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of a each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors, before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP is not to charge any category 2 disbursements.

If you have any queries regarding the contents of this report, please contact my colleague Sarah Whiteside on 0117 930 1582.

Yours faithfully
for and on behalf of
A&H Gadd Limited

A handwritten signature in black ink, appearing to be 'SG', followed by a long horizontal line extending to the right.

Simon Girling
Joint Administrator
Authorised by the Insolvency Practitioners Association