

The Insolvency Act 1986

Administrator's progress report

Name of Company

Blakeley Tonge & Partners Limited

Company number

01771834

In the
High Court, Chancery Division, Manchester
District Registry

(full name of court)

Court case number
2152 of 2013(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Jeremy Nigel Ian Woodside
RSM Tenon Restructuring
Arkwright House
Parsonage Gardens
Manchester
M3 2LFChristopher Benjamin Barrett
RSM Tenon Restructuring
Arkwright House
Parsonage Gardens
Manchester
M3 2LF

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

(b) Insert date

From

(b) 8 February 2013

To

(b) 7 August 2013

Signed

Joint / Administrator(s)

Dated

5/8/13

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

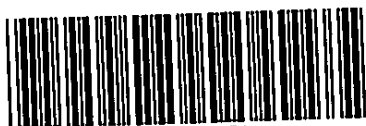
Jeremy Nigel Ian Woodside
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Arkwright House
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DX Number

+44 (0)161 834 3313
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

**Blakeley Tonge & Partners Limited (“the Company”) – In
Administration**

**Joint Administrators’ First Progress Report
for the period from 8 February 2013 to 7 August 2013**

Issued on: 5 September 2013

Jeremy Nigel Ian Woodside and Christopher Benjamin Barrett of RSM Tenon Restructuring are the Joint Administrators of the Company and this is their first report on the progress of the administration of the Company for the period from 8 February 2013 to 7 August 2013

1. Statutory Information

Statutory information relating to the Company is attached at **Appendix I**

2. Joint Administrators' receipts and payment account

A summary of the Joint Administrators' receipts and payments account relating to the Company for the relevant period from 8 February 2013 to 7 August 2013 is attached at **Appendix II**

3. Action taken by the Joint Administrators since appointment

I can confirm that the Joint Administrators' proposals for achieving the purpose of the administration were approved by creditors without modification on 15 April 2013

I will specifically comment on the following actions since appointment

Freehold Property

The Company owns a freehold property in Bolton which comprises two self-contained flats. The Joint Administrators have continued to collect rent in respect of the flats and have instructed Miller Metcalfe estate agents to assist with marketing the property for sale. Miller Metcalfe advised that the property should be marketed at a guide price of £49,995.

A number of offers have been received and, following consultation with the Creditors' Committee, we have recently accepted an offer for the property. Solicitors are instructed in respect of the sale and this is currently being progressed. We hope to complete the sale shortly and will provide details in our next progress report to creditors.

Vehicles Subject to Finance

The Company had five motor vehicles which were subject to finance agreements.

Of these, four vehicles were subject to finance with RCI Financial Services. The Joint Administrators instructed JPS Chartered Surveyors ("JPS") to value these vehicles and they advised that there was no equity in the vehicles as the sum owed to RCI Financial Services was £10,000 greater than their value. These finance agreements were novated to GIM Construction Limited who have settled the liability to RCI Financial Services.

The remaining vehicle was subject to a finance agreement with BMW Financial Services. JPS valued this vehicle and advised that there would be no surplus funds available following a sale of the vehicle and subsequent payment of the balance owing under the agreement. The vehicle was returned to BMW Financial Services.

Plant & Machinery

At the date of Administration, the Company owned plant and machinery with an estimated to realise value of £1,950.

The plant and machinery was removed from the Company's trading premises by JPS and sold through an online auction, resulting in realisations totalling £5,139

Furniture & Equipment

The Company owned furniture and equipment with an estimated to realise value of £650. An offer to purchase these assets was received from GIM Construction Limited ("GIM") in the sum of £500. This offer was accepted on 6 March 2013 and GIM have paid for these assets in full.

Unencumbered Motor Vehicles

At the date of Administration the Company owned twelve unencumbered motor vehicles with a book value of £14,128. JPS valued these assets and advised that they had an estimated to realise value of £12,500.

Eleven motor vehicles were sold by JPS to independent third parties realising the sum of £9,650. An offer to purchase the other vehicle was received from GIM in the sum of £1,100. This offer was accepted on 6 March 2013 and GIM have paid for this asset in full.

Total realisations of £10,750 have been received in respect of unencumbered motor vehicles.

Stock

The Company owned a small quantity of stock, including wooden offcuts and residual and recovered building components and consumables, with an estimated book value of £600. JPS valued the stock at an estimated to realise value of £250.

An offer of £1,500 was received from GIM for the purchase of the Company's stock. This offer was accepted on 6 March 2013 and GIM have paid for these assets in full.

Book Debts & Retentions and Work In Progress

At the date of Administration, the Company had book debts totalling £153,174 and retentions totalling £378,113. The directors of the Company estimated that the book debts and retentions had a realisable value of £356,420.

The Company also had work in progress with a book value of £227,995 which had an estimated to realise value of £89,088 according to the director's Statement of Affairs.

The Joint Administrators instructed The Vinden Partnership ("Vindens") to review the book debt and retention ledger together with the contract work in progress and to provide their recommendation for the most appropriate realisation strategy. Following their review, the Joint Administrators concluded that realisations would be maximised with the assistance of former employees of the Company who had knowledge of the contracts, together with further assistance from Vindens as required.

The Joint Administrators subsequently agreed that GIM which employs certain former employees of the Company, would assist with the collection of the book debts, retentions and the work in progress. They will carry out snagging work at their own cost in order to assist with the collections in return for commission payments based on amounts received into the Administration estate. Under the terms of the agreement, commissions of 10% on book debt collections and 50% on retentions and work in progress collections are payable to GIM.

To date, we have collected book debts and retentions totalling £145,068 of which £73,704 was collected before the agreement with GIM and £71,364 has been collected with their assistance. During the period, with assistance from our agents we have also collected £22,066 in respect of work in progress.

The total collected in respect of book debts, retentions and work in progress is £167,134 from which GIM has been paid commission totalling £36,099. The total collected considerably exceeds the level of realisations estimated by Vindens as being realisable without assistance with debt collection, negotiations and snagging works by GIM.

Collection of book debts, retentions and work in progress remains on-going and some of the retentions are not yet due for payment. We will provide an update for creditors in the next progress report.

Cash at Bank

The Company banked with Barclays Bank Plc ("Barclays"). At the date of the Administration, the sum of £75,646 was held in its bank accounts before bank charges of £741 were applied reducing the cash at bank to £74,905. The Joint Administrators requested that Barclays keep the bank accounts open whilst the debt collection continues in case debtors remit funds directly into these accounts.

During the period, £69,905 has been transferred from Barclays to the Administration account. On completion of the debtor collections, we will request that the remaining credit balance of £5,000 be transferred to the Administration estate account.

Rent

As detailed earlier in the report, the Company owns a freehold property in Bolton. Rent of £2,415 has been received to date in respect of the property.

Sundry Receipts

A utilities refund of £188 has been received and the sum of £21 has been received in respect of bank interest.

Investigations

Administrators have a duty to submit a confidential report or return to the government's Disqualification Unit on the conduct of those persons who acted as directors of the Company in the three year period before the Administration. This has been completed.

4. Future Actions of the Joint Administrators

The Joint Administrators are in the process of selling the Company's freehold property and will continue to collect funds from customers in respect of book debts, retentions and work in progress with the assistance of GIM. On completion of the debtor collections, the Administrators will request the credit balance of £5,000 to be transferred to the Administration account from the Barclays current account.

The Administrators intend to pay a distribution to preferential creditors. We will then discharge the expenses of the Administration and deal with the Company's tax affairs.

Once these matters have been concluded, the Joint Administrators expect there to be sufficient funds available for the Company will move from Administration to Creditors' Voluntary Liquidation in order to make a distribution to unsecured creditors

5. Liabilities and dividends

Preferential Creditors

The only known preferential creditors are former employees of the Company for unpaid wages and holiday pay. Their preferential claims are subject to a maximum limit set by the insolvency legislation. The estimated preferential creditor claims are £57,631. These claims are yet to be agreed; however, it is expected there will be sufficient funds to enable a distribution of 100p in the £ to preferential creditors.

Prescribed Part/Unsecured Creditors

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is left after paying the preferential creditors and costs and expenses of the administration, but before paying the lender who holds a floating charge.

The Company granted fixed and floating charges to Barclays on 19 February 2008. At the date of Administration, the Company bank accounts were in credit. As a result, they have no claim under their floating charge and the prescribed part provisions will not apply.

The prospect of a dividend to unsecured creditors is dependent on future realisations. Should there be sufficient funds to make a distribution to unsecured creditors, the Company will move from Administration to Creditors' Voluntary Liquidation to allow the duly appointed Liquidators to agree claims and make the distribution.

6. Joint Administrators' Remuneration, Disbursements and Expenses

Basis of remuneration and disbursements

At the initial meeting of creditors, a Creditors' Committee was appointed. At the meeting held on 15 April 2013, the Creditors' Committee approved the basis, quantum and timing of the Joint Administrators' remuneration and disbursements. The resolutions passed provided for the Joint Administrators to be remunerated with reference to time properly spent in dealing with matters in the administration and that their disbursements would be drawn in accordance with the tariff outlined in **Appendix III**.

Remuneration charged and drawn in the period

The Joint Administrators' time costs were charged (exc VAT) as follows:

	Incurred	Paid
	£	£
For this period from 8 February 2013 to 7 August 2013	129,630.07	Nil

In accordance with Statement of Insolvency Practice 9 attached at **Appendix III** is a breakdown of these time costs.

Disbursements incurred and drawn

The Joint Administrators' disbursements incurred during the period of this report and those reimbursed in the period are summarised below. Details are in the attached **Appendix III**

	Incurred	Paid
	£	£
Category 1 disbursements from 8 February 2013 to 7 August 2013	499 70	169 20
Category 2 disbursements from 8 February 2013 to 7 August 2013	185 85	Nil
Total	685 55	169.20

Expenses (professional advisors) charged and drawn in the period

The following professional advisors have been instructed in this matter

<i>Professional Advisor</i>	<i>Nature of Work</i>	<i>Fee Arrangement</i>
DLA Piper UK LLP	Solicitors – drafting appointment documentation, serving notification on interested parties, reviewing relevant case law and attending court	Time costs and disbursements
JPS Chartered Surveyors	Preparing inventory and valuation report, sale of assets and recommendation advice	Time costs and disbursements
The Vinden Partnership	Review of book debts, retentions and contractual work in progress and advice on realisation strategy	Fixed fee
GIM Construction Limited	Collection of Book Debts, Retentions and Work In Progress	Commission of 10% on book debt collections Commission of 50% on retentions and work in progress
Cowgill Holloway LLP	Assistance with preparation of statement of affairs	Fixed fee
Stephensons Solicitors LLP	Legal representation in respect of debt collection	Time costs and disbursements

The choice of professionals and the Administrators' fee arrangement with them was based on perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the Administrators' fee arrangement with them

Details of the costs incurred and paid by the Administrators in relation to Administration expenses for the period are also attached at **Appendix III**.

Pre-administration costs

The Creditors' Committee resolved on 15 April 2013 that the Joint Administrators be authorised to draw pre-Administration costs of £8,485.50 plus VAT, and category 2 disbursements of £12.60, to be paid out of the assets of the Company as an expense of the Administration, and to be drawn as and when funds permit

These costs were drawn in full on 20 June 2013

Creditors' Guide to Fees and statement of creditors' rights

Creditors have a right to request further information from the Administrators and additionally have a right to challenge the Administrators' remuneration and expenses time limits apply. Details can be found in the document 'Remuneration Guidelines Administration (post 1 November 2011)' which you can access and download at <http://www.rsmtenton.com/creditorguides>. Alternatively a copy is available free of charge upon request from the address above

7. End of Administration

As outlined in the initial report to creditors it is the Joint Administrators' intention to exit the Administration into Creditors Voluntary Liquidation provided that sufficient funds are available for distribution to unsecured creditors

It was resolved at a meeting of creditors that upon the Company proceeding into Creditors' Voluntary Liquidation, the Joint Administrators discharge from liability shall take effect 14 days following the Company entering into liquidation

Jeremy Nigel Ian Woodside

Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales
The affairs, business and property of the Company are being managed by the Administrators*

Statutory Information

Appendix I

Company Information

Company Name	Blakeley Tonge & Partners Limited
Trading Name	N/A
Previous Name	N/A
Company Number	01771834
Date of Incorporation	22 November 1983
Trading Address	Unit 3 Lever Bridge Mills, Radcliffe Road, Bolton, Lancashire, BL3 1RU
Current Registered Office	Arkwright House, Parsonage Gardens, Manchester, M3 2LF
Former Registered Office	Regency House, 47-49 Chorley New Road, Bolton, Lancashire, BL1 4QR
Principal Trading Activity	Building contractors

Appointment details

Joint Administrators' name and address	Jeremy Nigel Ian Woodside (IP Number 9515) of RSM Tenon Restructuring, Arkwright House, Parsonage Gardens, Manchester, M3 2LF and Christopher Benjamin Barrett (IP Number 9437) of RSM Tenon Restructuring Arkwright House, Parsonage Gardens, Manchester, M3 2LF
Date of appointment	8 February 2013
Court Name and Reference	High Court, Chancery Division, Manchester District Registry 2152 / 2013
Appointment made by	Directors, Unit 3 Lever Bridge Mills, Radcliffe Road, Bolton, Lancashire, BL3 1RU
Actions of Joint Administrators	Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Administrators acting jointly or alone

Blakeley Tonge & Partners Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 07/08/2013

S of A £		£	£
	SECURED ASSETS		
60,000 00	Freehold Land & Property	NIL	NIL
	HIRE PURCHASE		
9,700 00	Renault Kangoo Motor Vehicles	NIL	
(20,278 00)	RCI Financial Services	NIL	
18,000 00	BMW Vehicle	NIL	
(19,231 00)	BMW Financial Services	NIL	NIL
	ASSET REALISATIONS		
1,950 00	Plant & Machinery	5,139 06	
650 00	Furniture & Equipment	500 00	
12,500 00	Unencumbered Motor Vehicles	10,750 00	
250 00	Stock	1,500 00	
356,420 00	Book Debts & Retentions	145,067 80	
89,088 00	Work In Progress	22,065 96	
75,646 00	Cash at Bank	69,905 28	
	Rent	2,415 00	
	Bank Interest Gross	21 12	
	Water Refund	187 78	
			257,552 00
	COST OF REALISATIONS		
	Preparation of S of A	5,000 00	
	Pre-Administration Fees and Disb	8,498 10	
	Agents Fees - JPS Chartered Surveyor	6,897 29	
	Agents Fees - Vindens	3,650 00	
	Debt Collection Fees	36,099 00	
	Legal Fees & Disbursements	6,541 75	
	Statutory Advertising	169 20	
	Staff Expenses	169 12	
	Sundry Expenses	285 19	
	Insurance of Assets	850 12	
	Wages & Salaries	5,751 71	
	Waste Removal	960 00	
	Bank Charges	383 13	
			(75,254 61)
	PREFERENTIAL CREDITORS		
(57,631 00)	Employee Arrears/Hol Pay	NIL	NIL
	UNSECURED CREDITORS		
(1,163,580 50)	Trade & Expense Creditors	NIL	
(171,508 00)	Employees - Pay in Lieu of Notice	NIL	
(305,303 00)	Employee - Redundancy	NIL	
(281,426 00)	HMRC - PAYE/NI	NIL	
(87,968 00)	HMRC - VAT	NIL	
(114,996 00)	Frank Scoble	NIL	NIL

Blakeley Tonge & Partners Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 07/08/2013

S of A £		£	£
	DISTRIBUTIONS		
(666 00)	Ordinary Shareholders	NIL	NIL
(1,598,383 50)			182,297.39
	REPRESENTED BY		
	Vat Receivable		11,372 63
	Floating Deposit A/c		188,057 83
	Vat Payable		(17,133 07)
			182,297.39

Appendix III

Information relating to the Joint Administrators' Fees and Expenses

Appendix III

Blakeley Tonge & Partners Limited

Information relating to the Joint Administrators' Fees and Expenses

1. Explanation of Administrators' charging and disbursement recovery policies

1.1. Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

	£
Partner and licensed Insolvency Practitioner	395
Director	355
Senior Manager	300
Manager	220-260
Senior Administrator	155-185
Administrator	130-155
Cashier	155

1.2. Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements

External supplies of incidental services specifically identifiable to the case. Where these have initially been paid by RSM Tenon Restructuring and then recharged to the estate, approval from creditors is not required.

Examples of category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, external room hire, storage, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011).

Category 2 disbursements

These include elements of shared or allocated costs incurred by RSM Tenon Restructuring and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance.

Category 2 disbursements charged by RSM Tenon Restructuring are as follows

Disbursement charge	Rate
Company searches (RSM Tenon Tracker)	£10 per case
File set up	£7 per file
Mileage	45p per mile
Room hire (internal) - London	£150 per hour
Room hire (internal) - outside London	£100 per hour

The only Category 2 disbursements charged in this matter are for mileage expenses

2 Description of work carried out

Section 3 of this appendix outlines the time costs to date in relation to activities undertaken during this period

These can be summarised as follows

2.1. Pre-appointment

Details of the Joint Administrators' pre-administration costs are set out in the main body of the report. The work carried out involved

- > Confirming that one of the statutory objectives of Administration could be achieved,
- > Obtaining information regarding assets to determine strategy for realisation,
- > Liaising with Barclays Bank plc, key stakeholders and major creditors,
- > Carrying out all necessary steps in order to place the Company into Administration

2.2. Administration and planning

This includes the following activities which have been undertaken

- > Statutory duties associated with the appointment including the filing of relevant notices,
- > Notification of the appointment to creditors, members, employees and other interested parties,
- > Setting up case files,
- > Reviewing available information to determine appropriate strategy,
- > Setting up and maintaining bank accounts,
- > 6 monthly progress review of the case

Staff of different levels were involved in the above activities depending upon the experience required

2.3. Investigations

The time spent includes

- > Corresponding with the former directors and management,
- > Review of questionnaires and comments provided by interested parties,
- > Review of company documentation,
- > Review of information provided by Creditors' Committee members,
- > Completion of statutory return to the Insolvency Service

Due to the complex nature and importance of the investigations, experienced members of staff were utilised to conduct the work required

2.4 Realisation of assets

Please refer to the main body of the report but in summary the time spent includes

- > Liaising with agents in relation to the valuation and sale of the Company's tangible assets,
- > Monitoring the collection of book debts, retentions and work in progress,
- > Attending meetings with GIM Construction Ltd
- > Attending meetings and corresponding with the Company's customers,
- > Liaising with letting agents in relation to rent collection from the tenants in the freehold property,
- > Liaising with Miller Metcalfe estate agents regarding the sale of the freehold land and property,
- > Collection of cash at bank

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake

2 5. Creditors

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with employee related matters,
- > Dealing with reservation of title claims,
- > Recording creditor claims,
- > Reporting to creditors,
- > Meetings of creditors and Creditors' Committee,
- > Dealing with creditor queries,
- > Liaising with the Creditors' Committee

3. Time and charge-out summary

From the Administrators' appointment on 8 February 2013 to 7 August 2013, a total of 586 52 hours have been spent at an average charge out rate of £221 02 bringing the total cost to £129,630 07

The table below shows details of the time costs charged (exc VAT) in the current period

Classification of work function	Insolvency Practitioner/ Partner/ Director	Manager	Hours Other senior professionals	Assistants and support staff	Total	Time cost £	Average Hourly rate £
Administration and Planning							
Strategy & Review	61 85	23 15	6 40	0 30	91 70	31,052 37	338 63
Cashiering, Statutory Documentation	0 00	14 05	21 20	18 00	53 25	9,004 63	169 10
	61 85	37 20	27 60	18 30	144 95	40,057 00	276 35
Creditors							
Reporting to Creditors	0 00	28 40	3 70	15 25	47 35	7,398 37	156 25
Creditor Meetings / Correspondence	3 50	36 45	64 76	0 00	104 71	19,302 20	184 34
Employee Related Tasks	5 40	31 55	64 55	0 00	101 50	17,815 28	175 52
Retention of Title	0 00	9 60	20 00	0 00	29 60	4,968 06	167 84
	8 90	106 00	153 01	15 25	283 16	49,483 91	174 76
Investigations	10 90	40 65	1 33	0 00	52 88	13,845 83	261 83
Realisation of assets							
Book Debt & WIP Realisations	12 60	55 05	7 73	0 00	75 38	18,557 32	246 18
Tangible and Other Assets	0 50	26 60	3 05	0 00	30 15	7,686 01	254 93
	13 10	81 65	10 78	0 00	105 53	26,243 33	248 68
Total hours	94 75	265 50	192 72	33 55	586 52		
Total fees claimed £	37,426 25	63,650 00	25,717 32	2,836 50		129,630 07	

4 Disbursements

Disbursements incurred during the period of this report and those reimbursed in the period are detailed below

Disbursements	This period	
	Incurred £	Paid £
Category 1		
Statutory Advertising	169 20	169 20
Bonding	320 00	Nil
Storage	8 00	Nil
Parking	2 50	Nil
Total	499.70	169.20
Category 2		
Mileage - £0 45 per mile	185 85	Nil
Total	685.55	169.20

The above costs exclude VAT

5. Professional advisors and expenses

The Joint Administrators have incurred administration expenses in connection with the instruction of the following parties,

Professional Advisors	Pre-Administration		This period		Total	
	Incurred £	Paid £	Incurred £	Paid £	Incurred £	Paid £
Cowgill Holloway LLP	0 00	0 00	5,000 00	5,000 00	5,000 00	5,000 00
JPS Chartered Surveyors	1,883 75	1,883 75	5,013 54	5,013 54	6,897 29	6,897 29
The Vinden Partnership	0 00	0 00	3,650 00	3,650 00	3,650 00	3,650 00
GIM Construction Limited	0 00	0 00	46,451 07	36,099 00	46,451 07	36,099 00
DLA Piper UK LLP	5,586 75	5,586 75	494 50	494 50	6,081 25	6,081 25
Stephensons Solicitors LLP	0 00	0 00	415 50	415 50	415 50	415 50
Total	7,470.50	7,470.50	61,024.61	50,672.54	68,495.11	58,143 04

The above costs exclude VAT