

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company The NMB Group Limited	Company number 02042470
In the High Court of Justice, Leeds District Registry (full name of court)	Court case number 501 of 2013

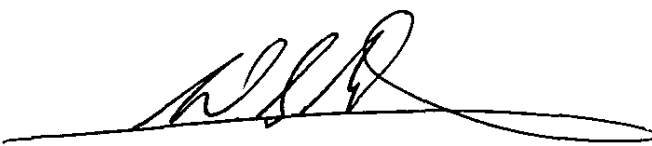
We, Phillip Sykes
Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

William Beach
Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

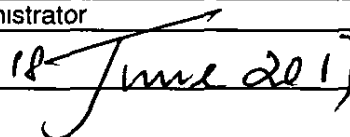
attach a copy of our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on 18 June 2013

Signed


Joint Administrator

Dated


18 June 2013**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 is available to researchers of the

Phillip Sykes
Moore Stephens LLP
150 Aldersgate Street
London
EC1A 4AB

DX Number

020 7334 9191
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

THURSDAY

A23
20/06/2013
COMPANIES HOUSE

#106

Strictly Private & Confidential

THE NMB GROUP LIMITED ("THE COMPANY") (IN ADMINISTRATION)

Statement of joint administrators' proposals pursuant to paragraph 49 of Schedule B1 of the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986

18 June 2013

This report contains 10 pages (including the front page)

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This report is intended for use by those parties entitled to a copy thereof under paragraph 49, Schedule B1 of the Insolvency Act 1986. It may contain information that is privileged confidential or exempt from disclosure and any dissemination distribution or copying of it and its attachments is strictly prohibited.

1. STATUTORY INFORMATION

Company name	The NMB Group Limited
Previous names	13/12/1996 The National Mortgage Bank plc 16/10/1989 The National Home Loans Bank plc 01/06/1989 NHL Mortgages plc 22/09/1988 Finance for Home Loans (9) Limited 23/09/1986 Ringhelp Limited
Company number	02042470
Registered office	c/o Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB
Trading address	Warwick House 737 Warwick Road Solihull West Midlands B91 3DG
Company director	Kevin Allen (disqualified to act as a director from 5 February 2013)
Company secretary	The Swan Group of Companies Limited
Authorised share capital	100,000,000 ordinary shares of £1 each
Issued share capital	75,000,000 shares
Date of appointment	26 April 2013
Court reference	High Court Of Justice, Leeds District Registry No 501 of 2013
Joint administrators	Phillip Sykes William (Bill) Beach
Joint administrators' address	150 Aldersgate Street London EC1A 4AB

Under the EC Regulation on Insolvency Proceedings 2000, this matter represents main proceedings

2 BACKGROUND TO THE ADMINISTRATION

- 2.1 The Company was incorporated on 31 July 1986. Its registered office was Warwick House, 737 Warwick Road, Solihull, West Midlands, B91 3DG, which following administration was changed to 150 Aldersgate Street, London, EC1A 4AB.
- 2.2 The director of the Company was Kevin Allen. Mr Allen was disqualified to act as director for 3 years with effect from 5 February 2013 pursuant to The Company Directors Disqualification Act 1986. The company secretary is listed as The Swan Group of Companies Limited, however, according to the Registrar of Companies, this company is in the process of being struck off the register.
- 2.3 The shareholder is Swan Mortgage Acquisition Company Limited.
- 2.4 The principle activity of the Company is mortgage administration and processing services. No accounts have been filed since the year end 29 February 2008. It appears that tangible assets of the Company are debtors totalling approximately £17,000 plus office equipment and furniture.
- 2.5 On 4 April 2013, New Life Mortgages Limited ("New Life"), a creditor for an amount in excess of £1 million, made an application to court for the administration of the Company in accordance with paragraph 12(1)(c) of Schedule B1 of the Insolvency Act 1986 ("the Act"). Following a court hearing on 26 April 2013, Phillip Sykes and I were appointed administrators.

3 STATEMENT OF AFFAIRS

- 3.1 Paragraph 47 of Schedule B1 to the Act requires the director, if requested, to submit to the administrators a statement of affairs detailing the particulars of the Company's assets, debts and liabilities.

- 3 2 Mr Allen has yet to submit a statement of affairs, however, he has advised that this document will be forthcoming shortly
- 3 3 Following my appointment, I was provided with a list of potential creditors and contact has been made with other possible parties. A list is attached at Appendix I

4 CONDUCT OF THE ADMINISTRATION TO DATE

- 4 1 Phillip Sykes and I were appointed administrators by the High Court of Justice (Leeds District Registry) on 26 April 2013. The functions and powers of the administrators may be exercised by both or one of us either jointly and severally as set out in paragraph 100(2) of Schedule B1 of the Act

- 4 2 The administrators must perform their functions in the interest of the creditors as a whole with the objectives of -

- 1 Rescuing of the Company as a going concern, or
- 2 Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or
- 3 Realising property in order to make a distribution to one or more secured or preferential creditors

- 4 3 Due to the level of the Company's liabilities I do not consider that the Company can be rescued as a going concern. Accordingly, I have continued to trade with the aim of selling the business and assets as a going concern resulting in objective 2 being achieved

- 4 4 Following a review of the Company's business on appointment, I made five members of staff redundant. The Company now has eight employees with combined salary costs of c£28,000 per month. Taking into account the ongoing operational costs such as rent and overhead costs I consider the Company can continue to trade on a cash profit basis in the short term. Trading receipts to date have realised £84,000

- 4 5 I am currently in discussions with an interested party concerning the sale of the business and certain of the Company's assets and a draft sale contract has been issued to the potential purchaser

- 4 6 It has been mentioned by a number of parties that certain transactions that occurred over many years leading up to the administration require further investigation. I have started to review various matters that have been brought to my attention and it is apparent this may take some considerable time to resolve. At this stage I am not in a position to divulge the issues being investigated

- 4 7 Under Statement of Insolvency Practice ("SIP") guidelines, administrators are obliged to disclose to creditors whether under SIP13 assets have been sold to any connected parties and under SIP16, if there has been a "pre-packaged sale" following administration. The administrators can confirm that no assets have been sold to connected parties nor has a pre-packaged sale of the Company's business occurred

5 REALISATIONS TO DATE

- 5 1 Attached as Appendix II is a copy of the administrators' receipts and payments account for the period to 17 June 2013

- 5 2 At the date of appointment, the Company had cash at bank of approximately £41,000. Since administration all pre appointment trade debts (£17,700) have been collected plus trading receipts to date total some £84,000

- 5 3 Payments/expenses paid since administration are self explanatory

6 PRESCRIBED PART

- 6 1 As the Company's assets are not subject to a floating charge pursuant to Section 176A of the Act, the prescribed part is not applicable

7 ESTIMATED OUTCOME

- 7 1 The sale for the business and assets is still to be agreed, and it is uncertain whether funds will be recovered following our investigation into pre appointment matters. Accordingly, it is considered prudent at this present time to assume there will be no funds available to pay a distribution to unsecured creditors

8 ADMINISTRATORS' PROPOSALS

- 8 1 The administrators consider that the second stated objective in realising assets will achieve a better result for creditors than if the Company had been placed into liquidation
- 8 2 That, in the circumstances that the Company's assets are realised, or such earlier time as the administrators in their sole discretion consider appropriate, and provided the administrators think that a distribution will be made to unsecured creditors, the Company be placed into creditors' voluntary liquidation
- 8 3 That, when the Company is placed into creditors' voluntary liquidation the joint administrators, Philip Sykes and Bill Beach of Moore Stephens LLP be appointed joint liquidators of the Company pursuant to Rule 2 117 of the Insolvency Rules 1986 ("the Rules")
- 8 4 In accordance with paragraph 83(7) Schedule B1 of the Act and Rule 2 117(3) of the Rules, creditors may nominate different insolvency practitioners as to the proposed joint liquidators, provided that the nominations are made after the receipt of the proposals and before the proposals are approved
- 8 5 That, if the administrators consider that creditors' voluntary liquidation is inappropriate for whatever reason, the administrators move the Company straight to dissolution under Paragraph 84 of Schedule B1 of the Act
- 8 6 That, the administrators be given their release 14 days after filing of either form 2 34B (move to creditors' voluntary liquidation) or form 2 35B (move to dissolution) with the Registrar of Companies, whichever is applicable

9 REMUNERATION

- 9 1 The basis for fixing the administrators' remuneration is governed by Rule 2 106 of the Rules. In the event that no creditor committee is formed, the administrators propose that their remuneration be fixed
- By reference to the time properly given by the administrators and their staff in attending to matters arising in the administration in accordance with Rule 2 106(2)(a) of the Rules, and
 - the administrators shall be authorised to draw their firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage, mileage and room hire, as and when funds permit
- 9 2 An analysis of the administrators' time costs and disbursements for the period to 8 June 2013 is provided at Appendix IV. This shows total time costs of £60,017 and disbursements of £448. The time costs include pre appointment time of £2,550
- 9 3 The time costs incurred to date have arisen primarily as a result of trading the Company, dealing with employee issues, the retention of supplier services and the set-up of new administration accounts. In addition, time has been incurred in the realisation of assets including corresponding with various individuals in relation to obtaining information, requesting repayment of outstanding debts and dealing with the potential sale of the Company's business. We have also dealt with the statutory functions required under the Insolvency Act and Rules and also enquiries from creditors
- 9 4 Should you wish to receive a copy of "A Creditors' Guide to Administrators' Fees" this is available on the Moore Stephens website <http://www.moorestephens.co.uk/corporaterecovery.aspx> or by requesting a copy from this office in writing or by telephone

10 EXPENSES

- 10 1 A schedule of all expenses incurred in the period have been detailed in Appendix V. These costs should be self-explanatory, however, please contact me if you require further information
- 10 2 In addition to these costs, other third party costs (still to be invoiced) include agents fees relating to the valuation of the Company's office equipment and motor vehicle, and solicitors costs in dealing with employee issues and the sale of the business. I have also instructed PAYCO to prepare the necessary submissions in respect of the redundant employees to the Redundancy Payments Office. Insurance costs have also been incurred

11 COSTS OF COURT APPLICATION FOR THE APPOINTMENT OF ADMINISTRATORS

- 11 1 Under the court order that the administrators were appointed, the costs of the application are to be paid as an expense of the administration. The level of legal costs relating to the court application is not yet known

12. CREDITORS' MEETING

- 12 1 Under paragraph 51 of Schedule B1 of the Act, the administrators are required to convene an initial meeting of creditors of the Company in order to consider and vote upon, amongst other things, the administrators' proposals
- 12 2 This meeting has been convened for 4 July 2013 at 12 00 noon and will be held at Moore Stephens LLP, One Cornwall Street, Birmingham, B3 2DX All creditors of the Company are entitled to attend the meeting, either in person or by proxy
- 12 3 A formal notice of the meeting accompanies my covering letter to this report, together with a proxy form and statement of claim form You must complete both the proxy and claims forms and return for the attention of Vicky Stroud, Moore Stephens LLP, 150 Aldersgate Street, London, EC1A 4AB should you wish to attend this meeting by proxy If you have already provided a statement of claim form, you do not need to resubmit this form
- 12 4 Should you wish to attend the meeting in person, please advise my office by no later than 3 July 2013 and ensure that you bring your statement of claim form (if not previously submitted) with you
- 12 5 Proxy forms must be received before 12 noon on the business day immediately preceding the date of the creditors' meeting in order to be considered valid for the meeting
- 12 6 Articles 40 to 42 of the European Insolvency Regulation refer to the notification of proceedings for creditors, the content of the lodgement of a claim, and the use of the official languages of the European Union in such notices and lodgements In this regard, an invitation for creditors to lodge a claim is provided in each of the official languages with my covering letter

This concludes the administrators' report and proposals

Yours faithfully
For The NMB Group Limited



Bill Beach
Joint Administrator

Enc

**The NMB Group Limited (in Administration)
Potential Company Creditors**

Appendix I

Key	Name	Address
CA00	Active 24	90 Long Acre, Covent Garden, London, WC2E 9RZ
CA01	Autonomy Digital	Cambridge Business Park, Cowley Road, Cambridge, CB4 0WZ
CB00	Bacs Payment Schemes Limited	2 Thomas More Square, London, E1W 1YN
CB01	BT plc	Dept W, Durham TE, Providence Row, Durham, DH1 1RR
CC00	Chubb Fire	400 Dailow Road, Luton, LU1 1UR
CC01	Clerical Medical - Group pension services	PO Box 28121, 15 Dalkeith Road, Edinburgh, EH16 9AS
CE00	EON	PO Box 2010, NG1 9GQ
CE01	Equifax Ltd	Augustus House, 3 New Augustus Street, Bradford, BD1 5LL
CF00	Fundtech FSC Ltd	Llys Helyg, Ffordd y Llyn, Parc Menai, Bangor, Gwynedd, LL57 4EZ
CF01	Frama (UK) Limited	15 Limes Court, Hoddesdon, Herts, EN11 8EP
CH00	HM Revenue & Customs	Specialist personal Tax, Trusts and Estates, Edinburgh Office, Meldrum House, 15 Drumsheugh Gardens, Edinburgh, EH3 7UB
CH01	HM Revenue & Customs	Local Compliance Norwich, CT Operations, S0542, PO Box 3900, Glasgow, G70 6AA
CH02	HM Revenue & Customs	Customer Operations, Employer Office, Chillingham House, Benton Park View, Newcastle Upon Tyne, NE98 1ZZ
CI00	Iron Mountain	Whitelaw House, Macmillan Rd, Livingston, Scotland, EH54 7DF
CI01	INTY	170 Aztec West, Bristol, BS32 4TN
CJ00	Jones Lang LaSalle	PO Box 2534, 40 Berkeley Square, Bristol, BS8 9AQ
CK00	KPMG	Dept 791, 58 Clarendon Road, Watford, WD17 1DE
CL00	HM Land Registry	Accounts receivable, HM Land Registry, 6th Floor, Traftaigar House, 1 Bedford Park, Croydon, CR0 2AQ
CL01	Legal & General Assurance Society Limited	Kingswood, Tadworth, Surrey, KT20 6EU
CN00	New Life Mortgages Limited	Warwick House, 737 Warwick Road, Solihull, West Midlands, B91 3DG
CP00	Phoebus Software	5th Floor, Radcliffe House, Blenheim Court, Warwick Road, Solihull, West Midlands, B91 2AA
CS00	Severn Trent Water	PO Box 5310, Coventry, CV3 9FJ
CS01	SITA UK Ltd	301-303 Parkway, Worle, Weston-super-Mare, BS22 6WA
CS02	Solihull Metropolitan Borough Council	Income 7 Awards, PO Box 1761, Council House, Solihull, West Midlands, B91 9RR
CS03	Sage (UK) Limited	North Park, Newcastle upon Tyne, NE98 9AA
CT00	TIC	43 Temple Row, Birmingham, B2 5LS
CV00	Viking	Po Box 9998, Leicester, LE41 9GS
EB00	Five former employees	Addresses withheld

The NMB Group Limited (in Administration)

Joint Administrators' receipts and payments account for the period 26 April 2013 to 18 June 2013

	From 26/04/2013 To 18/06/2013 £
RECEIPTS	
Debtors	17,740
Administration sales	84,100
Cash at bank	40,990
	<u>142,830</u>
PAYMENTS	
Wages & salaries	36,921
PAYE & NI	10,523
Bank charges	101
Telephone, fax & internet	326
Stationery & postage	500
Petty cash	200
IT software	3,048
	<u>51,618</u>
Net Receipts/(Payments)	<u><u>91,212</u></u>
MADE UP AS FOLLOWS	
Bank 2 - current	98,544
VAT payable	(7,332)
	<u><u>91,212</u></u>

Breakdown of time costs and category 2 disbursements

The NMB Group Limited (In Administration)

Summary of Moore Stephens' time-costs from 26/04/2013 to 08/06/2013

	Partner / Associate	Director / Manager	Admin	Support staff	Total hours	Time cost (£)	Av rate £/h
Pre appointment	1 50		11 00		12 50	2 555 00	204 40
Statutory compliance administration and planning	5 35	6 80	20 45	22 20	54 80	11 785 25	215 06
Investigations		8 35	0 80	0 40	9 55	3 514 00	367 96
Realisation of assets	4 10	28 25	14 70	0 25	47 30	15 853 75	335 17
Trading	5 50	18 75	58 20	0 40	82 85	19 773 00	238 66
Creditors	3 90	6 80	7 20	1 70	19 60	6 134 50	312 98
Case specific matters		1 20			1 20	402 00	335 00
Total hours	20 35	70 15	112 35	24 95	227 80		
Total time costs £	10 773 00	27 982 00	18 401 00	2 881 50		60 017 50	263 47

Total remuneration drawn on account

Nil

Charge out rates -

Rates effective from 1st-Nov-2012

Partner / Associate £370-£530

Manager £170-£400

Administrator £55-£210

Support £30-£115

Time charged in 3 minute units or multiples thereof

Examples of work generally undertaken but not limited to

Pre appointment

- Appointment process
- Providing general advice
- Liaising with creditors

Statutory compliance, administration and planning

- Compliance with other regulatory requirements
- Statutory reporting and compliance
- Case planning
- Administrative set up
- Appointment notification
- Maintenance of records

Realisation of assets

- Identifying, securing, insuring assets
- Retention of title
- Property business and asset sales
- Debt collection
- Tax reclaims

Creditors

- Communication with creditors
- Creditors' claims (including employees' and other preferential creditors)

Investigations

- SIP 2 review
- CDDA reports
- Investigating antecedent transactions

Trading

- Management of operations
- Accounting for trading
- On-going employee issues

Case specific matters

- Pension issues

Breakdown of time costs and category 2 disbursements continued

The NMB Group Limited (In Administration)

Summary of Moore Stephens' category 2 disbursements from 26/04/2013 to 08/06/2013

	Costs incurred £	Costs drawn £
Photocopying / printing	448	Nil
Total	<u>448</u>	<u>Nil</u>
Total undrawn costs to carry forward		<u><u>448</u></u>

Category 2 disbursement rates -

Type	Rate
Photocopying / printing	£0 15 per sheet

Summary of accrued and drawn costs

The NMB Group Limited (In Administration)

Transaction period 26/04/2013 to 08/06/2013

	Estimated costs incurred £	Costs drawn £
Cost description		
Postage	11	Nil
Statutory advertising	85	Nil
Travel	9	Nil
Land registry & company search fees	37	Nil
Agent fees	2 000	Nil
Legal fees	6,000	Nil
Employment advisor	500	Nil
Insurance	2,000	Nil
Total	10,641	Nil
Total undrawn costs to carry forward		10,641

Summary of professional services

Professional advisor	Nature of work	Fee arrangement
Key Appraisal	Valuers and surveyors	Fixed fee
SGH Martineau LLP	Solicitors	Time costs
Payco	Employment advisor	Time costs
JLT Speciality Ltd	Insurance brokers	Risk based premium