

**2.24B**

The Insolvency Act 1986

**Administrator's progress report**


Name of Company  ADB (INTERNATIONAL) LIMITED	Company number  02763764
In the High Court of Justice Chancery Division Birmingham District Registry (full name of court)	Court case number  8508 of 2011

I  
Costas Morfakis  
Axiom Recovery LLP  
Suite 2, 1st Floor Turnpike Gate House  
Birmingham Road  
Alcester  
B49 5JG

administrator of the above company attach a progress report for the period

From  27 October 2011	To  26 October 2012
-----------------------------	---------------------------

Signed

  
\_\_\_\_\_  
Administrator

Dated

22 November 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

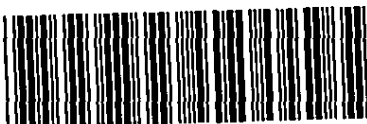
The contact information that you give will be visible to searchers of the public record

Costas Morfakis  
Axiom Recovery LLP  
Suite 2, 1<sup>st</sup> Floor  
Turnpike Gate House  
Birmingham Road  
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DX Number

01789 766 406

SATURDAY



A11

\*A1MCNF2Z\*

24/11/2012

#188

COMPANIES HOUSE

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

In the High Court of Justice  
Chancery Division  
Birmingham District Register

No 8508 of 2011

In the matter of  
ADB (International) Limited  
and  
In the matter of  
The Insolvency Act 1986 (as amended)

Administrator's Progress Report Pursuant to  
Rule 2 47 of The Insolvency Rules 1986 (as amended)

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## **SCHEDULE OF APPENDICES**

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## 1. INTRODUCTION

On 27 October 2011, I was appointed Administrator of ADB (International) Limited ("the Company") by the director in the High Court of Justice. I am an Insolvency Practitioner licensed by the Association of Chartered Certified Accountants.

Please note that since my appointment, the partners of Bond Partners LLP have separated and I have relocated to Axiom Recovery LLP. My appointment as Administrator remains unaffected by my relocation.

## 2. EC REGULATIONS ON INSOLVENCY PROCEEDINGS

The EC Council Regulation on Insolvency proceedings applies to this Administration. These are the main proceedings. The Company's principal interest is situated in the United Kingdom.

## 3. ASSETS REALISATIONS AND PROGRESS OF THE ADMINISTRATION

### Sale of Business and Assets

The business and assets of the Company were valued by MGR Appraisals ("MGR"), independent valuers of Birmingham.

An offer of £297,825.50 was received from ADB (Bristol) Limited ("the Purchaser") and on the advice of MGR the offer was accepted.

The consideration for the sale was allocated as follows:

Asset	Consideration (£)
the Equipment	50,000.00
the Goodwill	99,999.00
the Intellectual Property	1.00
the Vehicles	10,000.00
the Contracts and the Work in Progress	44,557.50
the Debts	<u>93,268.00</u>
<b>Total</b>	<b><u>297,825.50</u></b>

A sale agreement was prepared by solicitors and was signed by both parties. The sale completed on 21 December 2011, however the effective date of transfer is 27 October 2011.

The sum of £10,000 was received upon completion with the balance to be paid by way of 10 equal monthly installments of £11,782.55 due on the last business day of each month commencing on 30 December 2011 up to and including 28 September 2012 and one final payment of £170,000 on 31 October 2012. During the period of this report, the sum of £17,000 has been received. The Purchaser is disputing that the full balance is due and I have instructed my solicitors in this matter.

A personal guarantee has been obtained from Ronald Adams as security for the consideration.

The Purchaser is a connected company. Ronald Adams is a director of the Company and is also a director of the Purchaser. The Purchaser was advised to take its own independent legal advice with regard to the sale.

### Sundry Refunds

Since the date of my appointment, the sum of £2,717.38 has been received in respect of a rates refund.

### Cash at bank

At the date of my appointment, the Company's bank account was in credit in the sum of £11,056.40. This credit balance has been received in full.

## **Bank Interest**

The sum of £1 93 has been received in respect of bank interest

## **4 OUTCOME FOR CREDITORS**

### **Secured Creditors**

AM Directors Pension Scheme ("AMDPS") hold a fixed and floating charge over the assets of the Company which was created on 7 June 2010 and was registered on 15 June 2010

It is understood that at the date of the Administration, the sum of approximately £170,000 was outstanding to AMDPS. AMDPS will receive £100,000 in respect of fixed charge realisations and will receive a further distribution in respect of floating charge realisations

AMDPS have been approached to see if they would agree to waive their claim on the basis that they are both funding and seeking security from the Purchaser

### **Preferential creditors**

The former employee's claim has been submitted to the Redundancy Payments Office ("the RPO") for processing. The RPO has submitted a preferential claim in the sum of £142 69. The prospect of a distribution to the preferential creditors is dependent upon whether the balance of the consideration is received from the Purchaser

### **Prescribed part**

The Insolvency Act 1986 provides that, where a company has created a floating charge after 15 September 2003, a *prescribed part* of the company's net property must be made available to the unsecured creditors and not be distributed to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims

The method of calculating the prescribed part is given below

*Where the net property does not exceed £10,000*

50% of that property

*Where the net property exceeds £10,000*

50% of the first £10,000, plus 20% of the property which exceeds £10,000, up to a maximum prescribed part of £600,000

Based upon the information currently available, it is estimated that there will be a prescribed part fund available in this case

### **Unsecured Creditors**

The director estimated that unsecured creditor claims total approximately £312,218 96. If the consideration for the assets is received in full there will be sufficient funds to pay a dividend to the unsecured creditors. However, due to the Purchaser and guarantor disputing that the amount is due there is no guarantee of any funds being available to unsecured creditors at this time

## **5 RECEIPTS AND PAYMENTS**

A Receipts and Payments account for the period to 26 October 2012 is attached at **Appendix 1**

## **6 ADMINISTRATOR'S REMUNERATION**

### **Post Appointment Time Costs and Disbursements**

The Statutory provisions relating to remuneration are contained in Rule 2 106 of Insolvency Rules 1986, as amended by the Insolvency (Amendment) Rules 2003. A Creditors' Guide to Administrators' fees is also available on our website [www.axiomrecovery.co.uk](http://www.axiomrecovery.co.uk)

My staff and I have incurred time charges to 26 October 2012 of £50,531 representing a total of 179 70 hours having been spent on the administration of this case. Therefore the average hourly rate equates to £281 20

Creditors will note from the attached receipts and payments account that to date the sum of £23,250 has been drawn in respect of my post appointment time costs

In order that Creditors may properly review the time spent on the administration of this case, I enclose herewith a schedule confirming the same, being compliant with Statement of Insolvency Practice 9, and would refer you to **Appendix 2**

In common with other professional firms, my firm's charge-out rates increase from time to time over the period of the administration of a case. Specific details of the current charge-out rates applicable to those staff who worked on this case are attached at **Appendix 3**

## 7 EXPENSES OF THE ADMINISTRATION

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

Nature of expenses	By whom provided	Amount incurred this period £	Total amount incurred to date £	Amount paid from case funds £	Amount paid from the office account to be refunded by the case account £
Agents (valuer)	MGR Appraisals	2,500 00	2,500 00	2,500 00	0 00
Legal Fees	Lewis Onions Solicitors	4,039 00	4,039 00	4,039 00	0 00
Statutory Advertising	The Legal & Public Notices Advertising Agency Limited	67 50	67 50	67 50	0 00
Specific Bond	AUA Insolvency Risk Services Limited	400 00	400 00	0 00	400 00
<b>TOTAL</b>		<b>7,006.50</b>	<b>7,006 50</b>	<b>6,606 50</b>	<b>400 00</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 within 21 days of receipt of this report

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 me to be excessive or the basis fixed for my remuneration to be inappropriate. Any application should be made within 8 weeks of receipt of this report

## 10 EXTENSION / CONCLUSION

Paragraph 76 of Schedule B1 to the Insolvency Act 1986 provides that the appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, the Administrator's term of office may be extended either by the court for a specified period or by the consent of the creditors for a specified period not exceeding six months

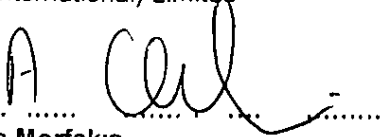
At a hearing on 9 October 2012 the court extended the period of the administration by twelve months, to 26 October 2013. A copy of Form 2 31B, Notice of extension of the period of the administration, is attached at **Appendix 4**

V

Should there be sufficient funds to facilitate a distribution to unsecured creditors I will move the Company to Creditors' Voluntary Liquidation and I will be appointed as Liquidator. However should there be insufficient funds, I shall move the Company from Administration to Dissolution pursuant to Paragraph 84 and Rule 2.118 of the Insolvency Act 1986.

I am 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.

Yours faithfully  
for and on behalf of  
ADB (International) Limited



Costas Morfakis  
Administrator

Date 22 November 2012

The affairs, business and property of the Company are being managed by the Administrator.  
The Administrator acts as an agent of the Company and without personal liability.

**ADB (International) Limited  
(In Administration)**

**Administrator's Abstract Of Receipts And Payments  
To 26 October 2012**

<b>RECEIPTS</b>	<b>Total (£)</b>
Equipment	7,000 00
Motor Vehicles	9,999 00
Property Rights/Patents	1 00
Cash at Bank	11,056 40
Bank Interest Gross	1 93
Sundry Refunds	2,717 38
Vat Control Account	5,063 50
	<hr/>
	<b>35,839 21</b>
<b>PAYMENTS</b>	
Office Holders Fees	23,250 00
Agents/Valuers Fees	2,500 00
Legal Fees	4,039 00
Statutory Advertising	67 50
VAT Receivable	5,963 50
	<hr/>
	<b>35,820 00</b>
	<hr/>
Balance	<b>19 21</b>
	<hr/>
<b>MADE UP AS FOLLOWS</b>	
Bank 1 Deposit	19 21
	<hr/>
	<b>19 21</b>
	<hr/>





A0814

ADB (International) Limited

## SIP 9 - Time &amp; Cost Summary

Period: 27/10/11-28/11/11

NOTE: THE SIP9 SUMMARY IS FILTERED BY TIME WHICH HAS A SIP9 CODE AND A PROJECT CODE OF POST CP IF EMPTY

## Time Summary

Classification of work function	Hours					Total Hours	Total Cost (£)	Average hourly rate (£)
	Partner	Manager	Other Senior Professionals	Assistant & Support Staff				
Statutory/Legal/Compliance	3.70	0.00	0.00	1.00		4.70	176.00	37.47
Bank Correspondence	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Share	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Compliance	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Telephone Messages	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Planning	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Administration & planning	3.70	0.00	0.00	1.00		4.70	176.00	37.47
DD/DA/Investigations	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Insurance	0.00	0.00	0.00	0.00		0.00	0.00	0.00
VAT	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Corporate Tax	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Asset Realisation - Property	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Asset Realisation - Fixed Assets	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Asset Realisation - Debtors	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Costs	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Realisation of assets	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Trading Or	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Credit Correspondence	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Procedures	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Preferential Claims/ Govn Credit	0.00	0.00	0.00	0.00		0.00	0.00	0.00
ERA	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Report/Statement of Affairs	0.00	0.00	0.00	0.00		0.00	0.00	0.00
PAYE	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Secured Creditors	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Retention of Title	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Committee	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Dividends	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Statement of Affairs Creditors	0.00	0.00	0.00	0.00		0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00		0.00	0.00	0.00
TOTAL HOURS	3.70	0.00	0.00	1.00		4.70	176.00	37.47
Total Fee (£) and £							0.00	

# Time Entry - SIP9 Time & Cost Summary

A0814 - ADB (International) Limited  
Project Code POST  
From 27/11/2011 To 26/10/2012

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	18.80	5.90	0.00	40.90	65.60	19,235.00	293.22
Case Specific Matters	5.90	0.80	0.00	8.70	15.40	4,509.00	292.79
Creditors	1.50	0.00	0.00	16.40	17.90	4,013.00	224.19
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	25.90	0.50	0.00	12.50	38.90	13,735.00	353.08
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>52.10</b>	<b>7.20</b>	<b>0.00</b>	<b>78.50</b>	<b>137.80</b>	<b>41,492.00</b>	<b>301.10</b>
<b>Total Fees Claimed</b>						<b>18,750.00</b>	
<b>Total Disbursements Claimed</b>						<b>9,375.00</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



## **BOND PARTNERS LLP HOURLY CHARGE OUT RATES**

**AS AT 4 APRIL 2011**

(A)	PARTNER	£350 - £500 PER HOUR
(B)	MANAGER	£250 - £350 PER HOUR
(C)	ADMINISTRATOR	£190 - £250 PER HOUR
(D)	ASSISTANT AND SUPPORT STAFF	£ 30 - £190 PER HOUR

## Notice of extension of period of administration

Name of Company  
ADB (International) Limited

Company number  
02763764

In the  
High Court of Justice  
Chancery Division  
Birmingham District Registry  
[full name of court]

Court case number  
8508 of 2011

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

(b) Insert name and  
address of registered office  
of company

(c) Insert date of  
appointment

(d) Insert name of  
appointor / applicant

Delete as applicable

(e) Insert date

I (a) Costas Morfakis of Axiom Recovery LLP, Suite 2, 1<sup>st</sup> Floor, Turnpike Gate House, Birmingham Road, Alcester, B49 5JG

having been appointed administrator of (b) ADB (International) Limited, Suite 2, 1<sup>st</sup> Floor, Turnpike Gate House, Birmingham Road, Alcester, B49 5JG ("the Company")

on (c) 27 October 2011 by (d) the director in the High Court of Justice, Chancery Division, Birmingham District Registry hereby give notice that the administration has been extended

\* by an order of the court dated 9 October 2012

until (e) 26 October 2013

Signed

Administrator

Dated 12 October 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 Suite 2 - 1 <sup>st</sup> Floor Turnpike Gate House	
Birmingham Road Alcester B49 5JG	
	Tel 01789 766 406
DX Number	DX Exchange

Companies House receipt date  
barcode

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