

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

Name of Company ABPM Limited	Company number 02833150
In the High Court, Leeds District Registry (full name of court)	Court case number 620 of 2008

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

We, (a) Christopher Michael White
The P&A Partnership
93 Queen Street
Sheffield
S1 1WF
DX 10616 Sheffield

John Russell
The P&A Partnership
93 Queen Street
Sheffield
S1 1WF
DX 10616 Sheffield

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

having been appointed administrators of (b) ABPM Limited, 93 Queen Street, Sheffield
S1 1WF

(c) Insert date of
appointment

on (c) 2nd May 2008

(d) insert name of
appointor/applicant
(e) Insert name(s)
and address(es) of
liquidator(s)

by (d) High Court, Leeds District Registry

hereby give notice that:

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is
proposed that (e) Christopher Michael White & John Russell

The P&A Partnership
93 Queen Street
Sheffield
S1 1WF

The P&A Partnership
93 Queen Street
Sheffield
S1 1WF

will be the liquidators of the company (IP Nos: 9374 & 5544)

We attach a copy of the final progress report

Signed

Christopher Michael White
Joint Administrators

Dated

26/11/08

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

Christopher Michael White
The P&A Partnership
93 Queen Street
Sheffield
S1 1WF

DX Number: 10616

0114 2755033
DX Exchange Sheffield

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

NO 620 of 2008

CHANCERY DIVISION

HIGH COURT, LEEDS DISTRICT REGISTRY

IN THE MATTER OF ABPM LIMITED

AND

**IN THE MATTER OF THE INSOLVENCY ACT 1986 AS AMENDED BY THE
ENTERPRISE ACT 2002**

**JOINT ADMINISTRATORS' REPORT TO CREDITORS
PURSUANT TO RULE 2.117 OF THE INSOLVENCY
RULES 1986 AS AMENDED BY THE INSOLVENCY
(AMENDMENT) RULES 2003**

1 INTRODUCTION

- 1.1 This report to creditors is made pursuant to Rule 2.117 of the Insolvency Rules 1986 as amended by the Insolvency (Amendment) Rules 2003.

2 STATUTORY INFORMATION

Company name	ABPM Limited
Registered address	93 Queen Street Sheffield S1 1WF (formerly 36 Park Row, Leeds, West Yorkshire, LS1 5JL)
Company number	02833150
Other trading names of the Company	None
Date of incorporation	5 July 1993
Objects	Recruitment Agency
Authorised share capital	9,002 ordinary £1 shares
Issued share capital	9,002 ordinary £1 shares

Shareholders	George Abraham - 4,500 ordinary shares Timothy Stuart Morgan - 4,500 ordinary shares George Abraham & Timothy Stuart Morgan - 2 ordinary shares
Floating Charge Holder	The Bank of Scotland plc hold a fixed and floating charge as a result of a debenture dated 29 July 1999. Abbey National Business Cashflow Finance Limited (now GE Commercial Finance Limited) hold a fixed charge over all book debts and a floating charge over all other property which is dated 27 June 2003.
Director	George Abraham Jonathan Barber Timothy Stuart Morgan
Company Secretary	Timothy Stuart Morgan

3 COURT HAVING CONTROL OF ADMINISTRATION PROCEEDINGS AND JOINT ADMINISTRATORS' APPOINTMENT

- 3.1 The High Court of Justice, Chancery Division, Leeds District Registry is the Court seized of the Administration proceedings. The Court reference number is 620 of 2008.
- 3.2 On 2 May 2008 the Company filed a Notice of Appointment of Administrators pursuant to Paragraphs 22 and 29 of Schedule B1 to the Insolvency Act 1986. Christopher Michael White and John Russell of The P & A Partnership, 93 Queen Street, Sheffield, S1 1WF were appointed Joint Administrators of the Company.
- 3.3 Christopher Michael White and John Russell are Insolvency Practitioners licensed by the Insolvency Practitioners Association of Valiant House, 4-10 Heneage Lane, London EC3A 5DQ.
- 3.4 In accordance with Paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 both of the Joint Administrators may exercise any or all of the functions of the Joint Administrators jointly or alone.

4 JOINT ADMINISTRATORS' STRATEGY

- 4.1 The proposals of the Joint Administrators as ratified by creditors on 8 July 2008 were to realise the property in order to make a distribution to one or more secured or preferential creditors.

- 4.2 This objective has been achieved as The Bank of Scotland plc have been repaid in full under the terms of their fixed and floating charge.
- 4.3 Notwithstanding this, the second objective of Administration, that is 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), is likely to be achieved as we anticipate sufficient realisations through the Company's liquidation to enable a distribution to unsecured creditors.

5 FINAL REPORT

- 5.1 This report covers the period following the appointment of the Joint Administrators on 2 May 2008 until 26 November 2008.
- 5.2 Shown below is a summary of the Joint Administrators' receipts and payments covering the period between 2 May 2008 and 26 November 2008.

	Statement of Affairs (£)	Actual (£)
RECEIPTS		
Book Debts	249,304	279,496
Goodwill	10,000	6,000
Intellectual Property	1	1
Equipment	26,998	16,198
Work In Progress	1	1
Rates Refund	NIL	355
50% Profit Share	NIL	14,540
Bank Interest	NIL	95
		<hr/> 316,686 <hr/>

PAYMENTS

GE Commercial Finance Limited	277,288
Discount & Service Charges	1,974
Specific Bond	276
Office Holders' Fees	28,000
Incidental Outlay – Category 1 Disbursements	
Rail Fare	29
Company Search Fee	18
Incidental Outlay – Category 2 Disbursements	
Postage & Stationery	661
Motor & Expenses	258
Faxes	11
Room Hire	100
Legal Fees	5,065

Pension Advice Fees	250
Statutory Advertising	471
Bank Charges	20
The Bank of Scotland plc	1,014
Preferential Creditors	948
Corporation Tax	20
	<hr/> 308,403
Balances to Liquidator	<hr/> 283 <hr/>

5.3 As referred to in the Joint Administrators' proposals dated 20 June 2008, prior to our appointment, Charterfields Limited were instructed to value the Company's business and assets.

5.4 Due to the nature of the assets, upon our agent's advice the business was sold upon our appointment on 2 May 2008 to ABPM Recruitment Limited for £37,000. George Abraham and Timothy Stuart Morgan are common directors.

5.5 A breakdown of the sale proceeds is shown below:-

	£
Equipment	26,998
WIP	1
Intellectual Property	1
Goodwill	10,000
	<hr/> 37,000 <hr/>

5.6 This sum was due to be paid in five monthly instalments of £7,400 commencing on 1 June 2008. The Joint Administrators have received three of these monthly instalments to date with payments being made in line with the terms of the sale agreement. The remaining instalments have also been paid however the funds are currently held by our solicitors and we await the transfer of these monies.

5.7 In addition, as part of the sale agreement the Joint Administrators are entitled to 50% of the purchasing company's net profit for the first six months of trading. £14,540 has been received in this respect.

5.8 Our agents advised that had the sale to ABPM Recruitment Limited not been achieved, it would have been essential to continue to trade the business in an attempt to mitigate breach of supplier agreements and therefore protect debtor realisations. However, funding was not available to facilitate this course of action. Notwithstanding this, any marketing exercise undertaken on this type of business could have resulted in a reduction in customer confidence which would have adversely affected the level of realisations achieved.

5.9 Furthermore, our agents advised that the level of realisations achieved by way of a going concern sale were significantly higher than estimated forced sales valuations.

- 5.10 Upon our appointment the Company factored its book debts with Abbey National Business Cashflow Finance Limited (now GE Commercial Finance Limited).
- 5.11 The Joint Administrators have been monitoring the collection of the book debts and have received confirmation that GE Commercial Finance Limited ("GE Commercial Finance") have now been repaid in full. Furthermore, we have been advised that GE Commercial Finance currently hold a surplus which is due to the Joint Administrators. These monies will be received through the Company's liquidation.
- 5.12 There are several debts remaining on the ledger following GE Commercial Finance's collect out in this matter. These debts will be reassigned to the Joint Administrators and will be pursued in the subsequent liquidation.
- 5.13 As referred to in the Joint Administrators' proposals, upon our appointment the Company had vacated its leasehold premises in Manchester and Birmingham. The Joint Administrators therefore contacted both landlords with a view to agreeing a surrender of the Company's interest in these leases.
- 5.14 The landlords of the Manchester premises refused to accept a surrender of the lease and under the circumstances, the lease will be disclaimed under Section 178 of the Insolvency Act 1986 upon the Company proceeding into liquidation.
- 5.15 The surrender of the Company's interest in the lease to the Birmingham premises was concluded on 2 July 2008.
- 5.16 It was estimated on the directors' Statement of Affairs that there would be no preferential claims in this matter and that unsecured creditors would be in the region of £496,133. Preferential and unsecured creditors claims received to date total £948 and £448,817 respectively. Preferential creditors have been repaid in full.
- 5.17 The Enterprise Act 2002 brought into force provisions for a fund, called the Prescribed Part, to be set aside for distribution to the unsecured creditors from the net realisations of assets subject to a floating charge contained in the debenture. As the date of the first floating charge is 29 June 1999 there can be no deduction for the benefit of unsecured creditors, as the floating charge pre-dates the Prescribed Part Provisions.
- 5.18 It is anticipated that a dividend will be declared to unsecured creditors through the Company's liquidation.
- 5.20 The Joint Administrators are to be reimbursed for any expense or necessary disbursements properly charged or incurred in the course of carrying out their duties in this matter. These expenses include category 1 and 2 disbursements such as mileage at "AA" rate, meeting room hire, photocopying, stationery, postage, searches, redirection of mail, storage of the Company's books and records on a commercial basis within the Joint Administrators' storage facility and any other costs appertaining to the conduct of this Administration. Such expenses or disbursements are to be paid from the assets of the Company in accordance with the proposals of the Joint Administrators approved by Creditors on 8 July 2008. Please

refer to the attached Creditors' Guide to the Fees, Expenses and Disbursements charged by The P & A Partnership. A Creditors' Guide to Fees is available and provides explanations of creditors' rights. This can be accessed via the Internet at www.thepandapartnership.com/resources or alternatively a copy can be requested by telephoning The P&A Partnership Help Desk: +44 (0)114 275 5033.

5.21 The Proposals of the Joint Administrators ratified by Creditors on 8 July 2008, approved that the Joint Administrators' Remuneration shall be calculated by reference to the time properly given by the Administrators and their staff in attending to all matters arising during the course of the Administration.

5.22 The Joint Administrators' time costs to date total £34,942, of which £28,000 has been drawn on account. An analysis of the time spent is shown overleaf.

Classification of Work	Partner	Manager	Other Senior Professionals	Assistants	Total	Time Cost £	Average Hourly Rate £
Function	(Hours)	(Hours)	(Hours)	(Hours)	(Hours)		
Case Specific Matters	0.00	1.00	42.60	0.00	43.60	8,562.00	196.38
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	1.10	0.00	1.10	214.50	195.00
Realisation of Assets	10.20	0.00	39.80	0.00	50.00	10,668.00	213.36
Creditors	11.10	0.00	18.70	0.00	29.80	6,810.00	228.52
Administration & Planning	8.40	1.20	20.20	40.40	70.20	8,687.00	123.75
Totals	29.70	2.20	122.40	40.40	194.70	34,941.50	179.46
Total Time Cost (£)	8,464.50	561.00	23,868.00	2,048.00			

6. COMPLETION OF THE ADMINISTRATION AND EXIT INTO CREDITORS VOLUNTARY LIQUIDATION

6.1 The most appropriate exit route of the Administration is for the Company to be placed into Creditors Voluntary Liquidation. This option was detailed in the Administrators' Proposals.

- 6.2 In accordance with paragraph 83(7) of Schedule B1 to the Insolvency Act 1986, the Liquidators nominated under Rule 2.33(m) of the Insolvency Rules 1986 are Christopher Michael White and John Russell.
- 6.3 Upon the Company proceeding into Creditors Voluntary Liquidation, the Joint Administrators' discharge from liability pursuant to paragraph 98 of Schedule B1 shall take effect upon the passing of the resolution winding up the company.

Dated this 26th day of November 2008

A handwritten signature in black ink, appearing to read 'C. White', written over a horizontal line.

CHRISTOPHER MICHAEL WHITE
JOINT ADMINISTRATOR

Acting as agent of the Company without personal liability