

The Insolvency Act 1986

Administrator's progress report

Form 2.24B(CH)

Name of Company Escombe Lambert Limited	Company number 03290394
In the High Court of Justice, Chancery Division, Companies Court, London (full name of court)	Court case number 8326 of 2014

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

We (a) Benjamin John Wiles and Paul David Williams of Duff & Phelps Ltd , The Shard, 32 London Bridge Street, London, SE1 9SG

Joint Administrators of the above company attach a progress report for the period

(b) Insert dates

from (b) 20 May 2015	to (b) 3 November 2015
-----------------------------	-------------------------------

Signed _____

Joint Administrator

Dated _____

10/11/15

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
will be able to searchers of

Duff & Phelps Ltd
The Shard
32 London Bridge Street
London, SE1 9SG

Tel +44 (0) 20 7089 4700

THURSDAY



A11 12/11/2015 #365
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

Final Progress Report to Creditors

10 November 2015

Escombe Lambert Limited (In Administration)

Joint Administrators' Final Progress Report to Creditors
for the period from 20 May 2015 to 3 November 2015 with a summary of
the Administration pursuant to Rule 2.110 of the Insolvency Rules 1986
(as amended)

**Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London
SE1 9SG**

Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agency Agreement	Agreement between SCI and the Company dated 20 May 2008
the Appointment Date	20 November 2014, being the date of appointment of the Joint Administrators of the Company
Barclays	Barclays Bank plc with whom the Company banked and the holder of fixed and floating charges over the Company's assets
BIS	The Department for Business, Innovation & Skills
Category 1 Disbursements	The Joint Administrators' external costs and expenses in dealing with the Administration
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Committee	A committee of the Company's creditors, made up of the Committee Members
the Committee Members	20 November 2014 to 9 April 2015 - Transport Management Limited, GB Railfreight Limited and SCI 10 April 2015 onwards – Seven Lincs Limited, GB Railfreight Limited and SCI
the Company	Escombe Lambert Limited (In Administration) (Company Number: 03290394)
the Court	High Court of Justice, Chancery Division, Companies Court, London
the Director	Mr Hans Joachim Schnitger, the sole director of the Company
DKT	DKT Allseas Shipping Limited (Company Number 09269664)
Duff & Phelps	Duff & Phelps Ltd , The Shard, 32 London Bridge Street, London SE1 9SG
ELH	Escombe Lambert Holdings Ltd , the Company's parent company (Company Number 05652745)
Global	Global Saga Leshaco Private Limited (Overseas Registered Company)
the Group	The Company, ELH, Interliner and Rickmers
HMRC	HM Revenue & Customs

Word or Phrase	Definition
Interliner	Interliner Logistics Limited, an associated company with common management and ownership (Company Number 04087254)
the Joint Administrators	Benjamin John Wiles and Paul David Williams of Duff & Phelps
the Landlord	Mihaj Investment Corporation Ltd (Overseas Registered Entity)
Lloyds	Lloyds Bank plc with whom the Company banked and the holder of a deposit agreement over funds held
the Premises	Wigham House, Wakering Road, Barking, Essex, IG11 8PJ
Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Previous Progress Report	The Joint Administrators Progress Report dated 18 June 2015
the Proposals	The Joint Administrators Report to Creditors and Statement of Proposals dated 24 December 2014
the Reporting Period	From 20 May 2015 to 3 November 2015
Rickmers	Rickmers-Linie Agency Limited, an associated company (Company number 06898441)
RPS	Redundancy Payments Service
the Rules	The Insolvency Rules 1986 (as amended)
SCI	The Shipping Corporation of India Ltd (Overseas Registered Entity)
SIA	SIA Group (UK) London Limited Independent chartered surveyor and valuation agents who were instructed to value and sell the assets of the Company
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the acquisition of assets of insolvent companies by Directors
SoA	Statement of Affairs, documentation to be supplied by the Director outlining the Company's financial position as at the Appointment Date
TUPE	The Transfer of Undertakings (Protection of Employment) Regulations 2006

Contents

- 1 Introduction
- 2 Joint Administrators' Report and Statement of Proposals
- 3 Progress of the Administration
- 4 Investigations
- 5 Dividend Prospects / Prescribed Part
- 6 Joint Administrators' Receipts and Payments Account
- 7 Pre-Administration Costs
- 8 Joint Administrators' Costs and Expenses
- 9 Conclusion and Ending the Administration
- 10 Further Information

Appendices

- 1 Statutory Information
- 2 Joint Administrators' Receipts and Payments Account
- 3 Analysis of Time Charged and Expenses Incurred
- 4 Copy of Approved Proposals
- 5 Proof of Debt Form
- 6 Form 2 34B – Notice of move from Administration to Creditors' Voluntary Liquidation

1. Introduction

- 1 1 The Joint Administrators were appointed on the Appointment Date by the Director of the Company, pursuant to Paragraph 22 of Schedule B1 to the Act
- 1 2 The Court reference in relation to the appointment is 8326 of 2014
- 1 3 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators are being exercised by any of the Administrators
- 1 4 The purpose of this report is to provide creditors with a final account of the progress of the Administration for the Reporting Period, with a summary of the Administration as a whole
- 1 5 This report should be read in conjunction with the Joint Administrators' Previous Progress Reports to creditors and the approved Proposals
- 1 6 Statutory information on the Company is attached at Appendix 1

2 Joint Administrators' Report and Statement of Proposals

- 2 1 In accordance with Paragraph 51 of Schedule B1 to the Act, a creditors' meeting was held at The Shard, 32 London Bridge Street, London, SE1 9SG on 15 January 2015. The Joint Administrators' Proposals were approved at that meeting
- 2 2 The Committee was formed at the creditors' meeting held on 15 January 2015
- 2 3 As advised in the Proposals, the Joint Administrators must perform their functions with the purpose of achieving one of the following objectives
- Rescuing the company as a going concern, or
 - 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
 - Realising property in order to make a distribution to one or more secured or preferential creditors
- 2 4 In accordance with Paragraph 49(2) of Schedule B1 to the Act the Joint Administrators note the following
- The first objective could not be achieved due to the termination of the Agency Agreement prior to the Appointment Date, resulting in the principal trading activity of the Company ceasing
 - The Joint Administrators believe that the second and third objectives detailed above will be achieved as the Joint Administrators are moving the Company into Creditors' Voluntary Liquidation and is anticipated that a dividend will be paid to the preferential creditors and the non-preferential, unsecured creditors of the Company
- 2 5 There were no major amendments to our deviations from these proposals
- 2 6 A copy of the approved Proposals is attached at Appendix 4

3. Progress of the Administration

- 3.1 The manner in which the affairs and business of the Company have been managed in the Reporting Period are set out below

Inter-Company Loans and Pooling Account

- 3.2 The Joint Administrators previously reported that the sum of £2,694,709 was due to the Company from ELH in respect of an inter-company loan. Following a review of the Company's accounting system, it was concluded that the amount owed to the Company from ELH totalled £2,722,703.
- 3.3 As previously reported, the inter-company balance with ELH is disputed by the Director, who has claimed that c£1.75m was loaned by ELH to the Company, albeit paid directly by him to the Company.
- 3.4 In addition to the above, ELH is currently holding the sum of £214,539 in a general Group clearing account held with Barclays. These funds have been identified as having been received solely from the Company in the weeks preceding the Appointment Date.
- 3.5 As previously reported, discussions regarding the ownership of the funds were ongoing and as such, the Joint Administrators agreed with ELH to have a block placed on the Pooling Account, in order to ensure that the funds are not dissipated. Barclays confirmed that this block is in effect.
- 3.6 The Joint Administrators have since discovered that the payments made by the Company to the Pooling Account were not recorded in the Company's accounting system. However, the net amount of £214,539 was recorded against ELH's inter-company loan account. As such, the monies in the Pooling Account have already been accounted for in the inter-company loan due from ELH.
- 3.7 As such, the Joint Administrators will continue to pursue the Pooling Account monies as part of the inter-company loan recovery from ELH.
- 3.8 Furthermore, the Joint Administrators previously reported that the sum of £65,000 was due to the Company from Interliner Slovenia. Following the above mentioned review of the Company's accounting system, it was discovered that the Interliner Slovenia balance had actually been repaid to the Company prior to the Appointment Date.

Book Debts

- 3.9 By virtue of the Agency Agreement, it is anticipated that a significant proportion of the Company's book debt ledger at the Appointment Date of £735,745 represents freight monies in respect of SCI shipments and is therefore payable to SCI.
- 3.10 As previously reported, the Joint Administrators concluded that debtor receipts totalling £129,687 had been received since the Appointment Date. Of this amount, a cheque payment of £2,184 was received from a third party in error and was subsequently returned. Therefore, debtor receipts received since the Appointment Date total £127,503.
- 3.11 As noted above, the Company acted as agent for SCI and as such, the vast majority of the debtor receipts that have been collected are being held on behalf of SCI. The Joint Administrators understand that a portion of these debtor monies are due to the Company, being commission amounts, but the vast majority of the receipts are due to SCI.

- 3 12 The assignment of the book debts to SCI for £30,000 was sanctioned by the Creditors' Committee. As such, the assignment took place on 27 October 2015 for total consideration of £30,000 and the remaining book debt monies received by the Joint Administrators since the Appointment Date, totalling £97,503, was remitted to SCI.

Shares in Global

- 3 13 As previously advised, the Company holds a 32 percent shareholding in Global, which has a book value in the Company's accounts of £226,435. The Joint Administrators have made contact with Global and have confirmed their intention to sell the Company's interest in Global.
- 3 14 The Joint Administrators have engaged legal advisors, ALMT Legal, in India to advise and assist the Joint Administrators in the process of realising any value in the shareholding. The Joint Administrators continue to liaise with ALMT Legal with regard to ensuring that legal preparation work for the sale of the shareholding is completed in a timely manner.
- 3 15 The Joint Administrators are taking appropriate steps to obtain a valuation of the shares and will provide a further update to creditors in their next report.

Office Equipment and Furniture

- 3 16 The only remaining asset of the Company which is yet to be marketed for sale is the Company's accounting system, being the AS400 server. SIA have carried out a valuation of this asset and it was valued at £500 plus VAT.
- 3 17 The Joint Administrators require the use of this server for investigative purposes but following conclusion of same, they will look to sell this remaining asset.

Pre-appointment VAT Refund

- 3 18 According to its accounting records, the Company is in a VAT reclaim position in respect of its trading activity in October 2014 and November 2014 to the sum of approximately c£130k.
- 3.19 The Joint Administrators have now submitted VAT returns to HMRC in respect of the above and are awaiting the VAT refund.
- 3 20 The Joint Administrators will provide an update in this respect in due course.

Overpayment of PAYE and NIC Contributions

- 3 21 Following the Appointment Date, the Joint Administrators were made aware that a number of overpayments had been made in respect of PAYE and NIC contributions from June 2014.
- 3.22 As previously reported, it is understood that the overpayments have arisen as a result of both the Company and its payroll agents, UHY Hacker Young LLP, making payments to HMRC for PAYE and NIC on a monthly basis.
- 3 23 According to the Company's books and records, it is understood that overpayments for the period from June 2014 to October 2014 total £108,835. However, after Crown set-off is applied for the non-payment of the November 2014 PAYE and NIC, of approximately £4,700, it is anticipated that realisations could total up to £104,000.

- 3 24 It should be noted that HMRC has a statutory right of applying Crown set-off of any repayments due against any liabilities. It is the Joint Administrators' understanding that there are no amounts owing to HMRC, other than the November 2014 PAYE and NIC. However, should this not be the case it may materially impact on the likely recoveries from the overpayments.
- 3 25 The overpayments totalling £108,835 are currently subject to ongoing discussions with HMRC. However, the Joint Administrators have received confirmation from HMRC that any refund due will not be paid until the pre-appointment Corporation Tax return is completed and submitted to HMRC.
- 3 26 The Joint Administrators are currently liaising with their tax agents in order to complete the final outstanding pre-appointment Corporation Tax return.
- 3 27 The Joint Administrators will provide a further update to creditors in due course.

VAT Bad Debt Relief Claim

- 3 28 As discussed in section 3.12, the book debts have now been assigned to SCI. Therefore no bad debt relief claim is available to the Company.

Legal Claims

- 3 29 As detailed in the Joint Administrators' Proposals, there have been allegations of erroneous invoicing practices by the Company, which are being reviewed in detail as part of the Joint Administrators' investigations.
- 3 30 The Joint Administrators are currently liaising with their legal advisors and the Committee in relation to pursuing certain recovery actions.
- 3 31 The Joint Administrators are unable to provide any further detail at this time for confidentiality reasons and so as to not prejudice the outcome of these claims. However, in the event that such investigations give rise to potential courses of action, that are commercially beneficial to pursue, the Joint Administrators would seek to exercise their powers for the benefit of the Company's creditors accordingly and having discussed with the Committee.

4. Investigations

- 4 1 The Joint Administrators' investigations into the Company's affairs are currently ongoing. The Joint Administrators cannot, at this stage, detail the nature of these investigations as it may hamper any further action that may be required. However, should any of the Company's creditors have information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, please contact this office.
- 4 2 The Joint Administrators have complied with their statutory obligation to file a report with BIS regarding the conduct of all directors of the Company that served in the three years prior to the Joint Administrators' appointment. The content of this report is confidential and was submitted to BIS on 19 May 2015.

-
- 4.3 The Joint Administrators also have a duty to investigate antecedent transactions which include
- Transactions at an undervalue, Section 238 of the Act,
 - Preferences, Section 239 of the Act, and
 - Transactions to defraud creditors, Section 423 of the Act
- 4.4 As previously reported, during the Joint Administrators preliminary investigations there were a number of transactions that on the face of it required investigation. In view of this, the Joint Administrators engaged the services of Duff & Phelps' Dispute and Legal Management Consulting team ("DP DLMC") for the purposes of the forensic investigation into the Company's financial and accounting transactions.
- 4.5 DP DLMC have incurred time costs in the Reporting Period in conducting their investigations, which has included the following
- Assisting the Joint Administrators in pursuit of various asset realisations,
 - Review of the largest creditor claim,
 - Review of further financial statements including audit working papers,
 - Review of the merits of the possible causes of action with solicitors, and,
 - Attending meetings with solicitors
- 4.6 DP DLMC's time costs are included with the Analysis of Time Charged shown at Appendix 3. Please refer to the "Investigations" milestones for a breakdown of these time costs.
- 4.7 The Joint Administrators are liaising directly with the Committee in order to determine the next steps, but will keep the creditors informed of any significant developments.

5. Dividend Prospects / Prescribed Part

Secured Creditors

Barclays

- 5.1 In consideration of monies advanced under an overdraft facility, the Company granted Barclays a debenture, dated 6 November 2006, which confers fixed and floating charges over all of the assets of the Company. The debenture also secures lending by Barclays to the Group under a cross guarantee.
- 5.2 The Company's principal indebtedness to Barclays at the Appointment Date is nil, however, the Joint Administrators understand that there may be contingent liabilities arising in relation to the Company's obligations under the inter-company guarantees. Accordingly the quantum of the Company's liability to Barclays is currently uncertain.
- 5.3 In the event that the Company's contingent liabilities become quantifiable and are caught under the debenture with Barclays, it is anticipated that there will be sufficient funds to make a distribution under the same.

Lloyds

- 5 4 In consideration of monies advanced under an overdraft facility, the Company granted Lloyds a Deposit Agreement, dated 25 August 2010, which confers the rights to repayment of the debt on any account the Company held with Lloyds
- 5 5 It is the Joint Administrators' understanding that prior to the Appointment Date, the sum of £200,000 was paid to Lloyds in full and final settlement of all debt outstanding and a Deed of Satisfaction is to be filed. Therefore, it is not believed that there are any amounts owing to Lloyds

Preferential Creditors

- 5 6 Following the cancellation of the Agency Agreement and the transfer of the majority of the Company's workforce to DKT, under TUPE, only eleven employees remained with the Company
- 5 7 Of these employees, six were retained by the Joint Administrators for the period 20 November 2014 to 30 November 2014 and their arrears of pay were settled by the Joint Administrators, resulting in an entitlement to claim for accrued holiday pay only
- 5 8 The remaining five employees were entitled to claim their arrears of pay, subject to statutory limits, together with accrued unpaid holiday pay from the RPS. This includes certain employees who left the Company prior to the Appointment Date and whom were not paid their November salary, together with a number of employees who believe that they should have been transferred to DKT, but where the transfer has been disputed
- 5 9 The employees' claims have been subrogated to the Secretary of State, following payment by the RPS
- 5 10 A preferential claim has been received from the RPS for the sum of £3,925
- 5 11 Based on current information, it is anticipated that there will be sufficient asset realisations to repay the preferential creditors in full.

Prescribed Part

- 5 12 The Prescribed Part is calculated as a percentage of net property, as follows
- | | |
|------------------------------------|--|
| Net property less than £10,000. | 50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential unsecured creditors would be disproportionate to the benefits of the same |
| Net property greater than £10,000: | 50% up to £10,000 plus 20% thereafter to a maximum of £600,000 |
- 5 13 The Company granted a floating charge to Barclays on 6 November 2014 and therefore, the Prescribed Part provisions will apply if there is an outstanding liability due to Barclays under its floating charge
- 5 14 In the event that there is no liability arising in respect of contingent claims from Barclays, then the Prescribed Part will not apply. The Joint Administrators are currently seeking clarification in respect of this matter and will provide creditors with a further update with regard to the Prescribed Part in their next report

- 5 15 In the event that the provisions of the Prescribed Part are applicable in respect of the Company, based on current information, it is anticipated that there will be sufficient asset realisations to enable a distribution to be made to non-preferential unsecured creditors, via the Prescribed Part

Unsecured Creditors

- 5 16 According to the Company's books and records at the Appointment Date, non-preferential unsecured creditors total £9,912,113. The non-preferential unsecured creditors can be summarised as follows:

Creditor	Amount
Trade & Expense Creditors	£ 1,782,288
Inter-Company Balances (Interliner Ireland)	£ 2,399,825
SCI	£ 5,730,000
Total	£ 9,912,113

- 5 17 Please note that it is the Joint Administrators' understanding that many of the liabilities stated on the creditor ledger were incurred by the Company as agent on behalf of SCI. In such cases, it is possible that SCI are liable for the majority of the amounts stated and not the Company.
- 5 18 Please also note that the claim from SCI detailed in the table above is provisional only and subject to change.
- 5 19 Based upon the current information available, it is anticipated that there will be sufficient realisations to enable a distribution to the non-preferential unsecured creditors of the Company, however, the quantum of which is currently uncertain. It should be noted that the quantum of the distribution is likely to be significantly impacted by any amount admitted to rank for dividend purposes in respect of SCI.
- 5 20 If not already done so, creditors of the Company should complete the Proof of Debt form at Appendix 5 and return same to the Joint Administrators.
- 5 21 Creditors who have lodged formal details of their claim (Proof of Debt) in the Administration, do not need to lodge their claims again in the Liquidation.

6 Joint Administrators' Receipts and Payments Account

- 6 1 A detailed receipts and payments account for the Reporting Period is shown at Appendix 2.
- 6 2 As at 3 November 2015 there was a cash / cash equivalent balance of £24,563. This sum will be remitted to the Joint Liquidators.

7. Pre-Administration Costs

- 7 1 Pre-administration costs are defined in the Rules as fees charges and expenses incurred by the Administrators or their firm, or another person qualified to act as an Insolvency Practitioner, before the Company entered Administration but with a view to its doing so
- 7 2 As previously reported, Duff & Phelps' pre-administration time costs of £6,613 plus VAT were approved by the Committee at the first meeting of the Committee held on 15 January 2015 and have been drawn in full
- 7 3 As previously reported, time costs of £11,843 plus disbursements of £157 plus VAT were incurred by Taylor Wessing LLP in respect to the pre-administration period legal advice
- 7 4 The Committee approved Taylor Wessing LLP's pre-appointment fees of £8,200 plus disbursements of £157 plus VAT at the second meeting of the Committee held by conference call on 3 March 2015. This amount was paid in full during the Reporting Period
- 7 5 The Joint Administrators then sought the approval from the Committee in respect of the outstanding balance due to Taylor Wessing LLP, totalling £3,643 plus VAT. The Committee approved the outstanding balance by written resolution following the second report to the Creditors' Committee dated 15 June 2015. However upon review of Taylor Wessing LLP's invoice, it was established that the outstanding balance was in respect of post-appointment legal fees. Payment to Taylor Wessing LLP's has been made in full

8. Joint Administrators' Costs and Expenses

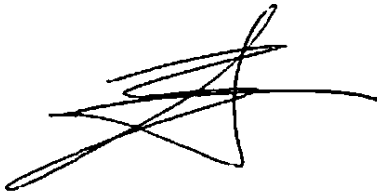
- 8 1 The basis of the Joint Administrators' remuneration was fixed on the basis of the time properly incurred by them and their staff in attending matters during the Administration by the Committee at the first Committee meeting held on 15 January 2015
- 8.2 The time costs incurred during the Reporting Period by Duff & Phelps total £282,361 and are as analysed at Appendix 3. Time has been charged in six minute units
- 8 3 The total time costs incurred by the Joint Administrators to the 3 November 2015 are £856,741, representing 2,684 hours with an average charge out rate of £319
- 8.4 A total of £150,000 has been paid in respect of the Joint Administrators' post appointment remuneration to date, none of which was paid in the Reporting Period. A further £250,000 was invoiced during the Reporting Period but this sum has not yet been paid. Details of payments are shown on the receipts and payments account at Appendix 2
- 8 5 The Joint Administrators' disbursements are also detailed at Appendix 3
- 8 6 The Joint Administrators have incurred expenses in dealing with the Administration of the Company and these are detailed at Appendix 3
- 8 7 Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at <http://www.duffandphelps.com/uk-restructuring/creditor-guides>. Should you require a copy, please contact this office

- 8.8 In accordance with Rule 2.48A of the Rules, Secured Creditors and unsecured creditors (with the concurrence of at least 5% in value of total unsecured creditor claims or with the permission of the court), may make a request in writing for further information about the remuneration or expenses set out in this progress report. This should be done within 21 days receipt of this report, after which the Joint Administrators have 14 days to respond.
- 8.9 In addition to the above, any Secured Creditor, or any unsecured creditor (with the support of at least 10% in value of the total unsecured creditors or with the permission of the court), may apply to the court on the grounds that the remuneration or basis fixed for the Administrators' remuneration or the expenses incurred by the Joint Administrators are considered to be excessive. In accordance with Rule 2.109 of the Rules, this application must be made no later than eight weeks after receipt of the Progress Report, where the charging of the remuneration or the incurring of expenses in question occurs.
- 9. Conclusion and Ending the Administration**
- 9.1 The Joint Administrators consider that they are now in a position to conclude the Administration and cease to act.
- 9.2 As outlined previously, it is the intention of the Joint Administrators to exit the Administration via a Creditors' Voluntary Liquidation.
- 9.3 Benjamin John Wiles and Paul David Williams were appointed Joint Liquidators to the Company on 3 November 2015 following the filing of the Notice of Move from Administration to Creditors' Voluntary Liquidation by the Joint Administrators on 3 November 2015 by the Registrar of Companies.
- 9.4 The assets that remain to be dealt with in the Liquidation are
- The receipt of the Inter-Company Loans,
 - The sale of the Company's shares in Global,
 - The sale of the Company's AS400 accounting system,
 - The VAT and PAYE/NIC overpayments due from HMRC, and,
 - Any potential recoveries from legal action following the conclusion of our investigations.
- 9.5 Creditors have resolved that the Joint Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Act upon filing the end of the Administration or their appointment otherwise ceasing.

10. Further Information

- 10.1 If you have any queries or require any further assistance, please do not hesitate to contact my colleague Jack Beard of this office

For and on behalf of
Escombe Lambert Limited



Benjamin Wiles
Joint Administrator

Encs

The affairs, business and property of the Company are being managed by the Joint Administrators, Benjamin Wiles and Paul Williams, who act as agents for the Company and without personal liability. They are licensed in the UK by the Insolvency Practitioners Association and are bound by the Insolvency Code of Ethics.

Appendix 1

Statutory Information

Statutory Information

Date of Incorporation	11 December 1996
Registered Number	03290394
Company Director	Mr Hans Joachim Schnitger
Shareholder	ELH – 100%
	100,000 ordinary shares of £1 each
Trading Address	Wigham House Wakering Road Barking Essex IG11 8PJ
Registered Office	Current: c/o Duff & Phelps Ltd The Shard 32 London Bridge Street London SE1 9SG Former: Wigham House Wakering Road Barking Essex IG11 8PJ

Financial Information

Balance Sheet

	As at 31 December 2013 (Draft)	As at 31 December 2012 (Audited)
	£	£
Fixed Assets		
Tangible Assets	102,812	141,638
Investments	226,434	226,635
	329,246	368,273
Current Assets		
Debtors	4,340,508	3,661,403
Cash at Bank	410,915	406,267
	4,751,423	4,017,670
Creditors Amounts Falling		
Due Within One Year	(4,524,390)	(3,943,801)
Net Current Assets	227,033	73,869
Total Assets Less Current Liabilities	556,279	442,142
Capital and Reserves		
Called Up Share Capital	100,000	100,000
Profit and Loss Account	456,279	342,142
	556,279	442,142

Profit and Loss

		Year Ended 31 December 2013 (Draft)		Year Ended 31 December 2012 (Audited)
Turnover	£	3,368,307	£	3,584,973
Cost of Sales	£	(1,141,725)	£	(1,556,429)
Gross Profit	£	2,226,582	£	2,028,544
Overheads				
Administrative Expenses	£	(2,271,523)	£	(1,927,708)
Exceptional Items	£	-	£	(137,921)
Other Operating Income	£	110,913	£	152,626
Operating Profit	£	65,972	£	115,541
Investment Income	£	49,150	£	49,880
Other Interest Receivable and Other Income	£	161	£	254
Interest Payable and Similar Charges	£	(1,146)	£	154
Profit Before Tax	£	114,137	£	165,521
Corporation Tax	£	-	£	(38,379)
Profit for the Year	£	114,137	£	127,142

DUFF & PHELPS

Appendix 2

Joint Administrators' Receipts and Payments Account

Escombe Lambert Limited (In Administration)
Joint Administrators' Receipts and Payments Accounts

Notes

For the Period from 20 May
2015 to 3 November 2015

For the Period from 20
November 2014 to 3
November 2015

	Fixed (£)	Floating (£)	Fixed (£)	Floating (£)
RECEIPTS				
Furniture & Equipment	Nil	Nil	Nil	8 750 00
Motor Vehicles	Nil	Nil	Nil	36 500 00
Debtors	Nil	(99,687 46)	Nil	30 000 00
Cash at Bank	Nil	Nil	Nil	190 231 75
Sundry Refunds	Nil	Nil	Nil	12 187 97
Bank Interest Gross	Nil	26 31	Nil	65 41
Private Treaty Sales	Nil	Nil	Nil	1 940 00
Petty Cash	Nil	Nil	Nil	154 12
	0 00	(99,661 15)	0 00	279,829 25
PAYMENTS				
Premises Costs	Nil	Nil	Nil	250 00
IT Professional Services	Nil	Nil	Nil	11 190 00
IT Disbursements	Nil	Nil	Nil	638 50
Sub Contractors	Nil	850 00	Nil	2 390 00
Pre-Appointment Remuneration	Nil	Nil	Nil	6 612 50
Joint Administrators' Remuneration	Nil	Nil	Nil	150 000 00
Joint Administrators' Disbursements	Nil	Nil	Nil	1 363 82
Accountants' Fees	Nil	Nil	Nil	2 000 00
Agents/Valuers' Fees	Nil	480 00	Nil	9 041 50
Agents/Valuers' Disbursements	Nil	Nil	Nil	521 64
Pre-Appointment Legal Fees	Nil	8,200 00	Nil	8 200 00
Pre-Appointment Legal Disbursements	Nil	156 76	Nil	156 76
Legal Fees	Nil	5 218 57	Nil	33 711 97
Legal Disbursements	Nil	30 43	Nil	178 02
Stationery & Postage	Nil	287 46	Nil	470 46
Storage Costs	Nil	1 371 40	Nil	8 589 57
Re-Direction of Mail	Nil	320 00	Nil	440 00
Statutory Advertising	Nil	Nil	Nil	169 20
Insurance of Assets	Nil	Nil	Nil	1 333 34
Wages and Salaries	Nil	Nil	Nil	14 922 43
PAYE and NI	Nil	Nil	Nil	2 473 99
Pension Agents	Nil	400 00	Nil	400 00
Bank Charges	Nil	37 42	Nil	212 66
	0 00	17,352.04	0 00	255,266 36
BALANCE	0 00	(117,013.19)	0 00	24,562.89

MADE UP AS FOLLOWS

Floating / Main Current Account	21 291 67
Debtor Collections Account	2 184 34
VAT Receivable / (Payable)	1 086 88
General VAT Control Account	0 00
	24,562.89

Notes

1) Please be advised that this includes the sum of £97,503.46 which has been remitted to SCI in respect of the assignment of book debts as discussed in section 3.12 of the report, together with the sum of £2,184 which was received from a third party in error as discussed in section 3.10 of the report

Appendix 3

Analysis of Time Charged and Expenses Incurred

Escombe Lambert Limited (In Administration)

Analysis of the Joint Administrators' time costs for the period 20 November 2014 to 3 November 2015

Classification of Work Function	Partner	Manager	Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
Administration and Planning								
Strategy Planning & Control	20.00	38.20	53.30	134.60	0.00	246.10	83,156.00	337.60
Statutory Matters (Meetings & Reports & Notices)	8.00	7.40	30.80	115.10	0.00	161.30	41,090.50	254.75
Case Review and Case Diary Management	0.00	22.50	5.80	74.70	0.00	103.00	22,670.00	220.10
Cashiering & Accounting	0.00	6.40	14.20	60.05	0.00	80.65	18,711.00	232.00
Dealings with Directors and Management	4.50	3.80	16.00	23.05	0.00	47.35	15,795.50	333.59
Tax Compliance/Planning	0.00	2.30	0.00	25.40	0.00	27.70	5,255.00	189.71
Insurance	0.00	0.20	0.80	5.60	0.00	6.60	1,537.00	232.88
IPS Set Up & Maintenance	0.00	0.10	0.00	9.80	0.00	9.90	1,340.50	135.40
Statement of Affairs	0.00	0.10	0.00	0.00	0.00	0.10	48.00	480.00
Creditors								
Creditors Committee	8.00	20.55	26.60	71.80	0.00	126.95	44,221.50	348.34
Communications with Creditors/Employees	8.50	6.40	19.50	65.65	0.00	100.05	30,103.50	300.88
Non Preferential Creditors/Employees Claims Handling	0.00	2.50	4.50	79.95	0.00	86.95	15,174.00	174.51
Non Preferential Creditor Claims Adjudication and Distribution	0.00	0.00	0.00	6.80	0.00	6.80	1,196.00	175.88
Preferential Claims Adjudication and Distribution	0.00	0.00	0.00	2.20	0.00	2.20	583.00	265.00
Secured Creditors	0.00	0.00	0.00	0.75	0.00	0.75	90.00	120.00
Investigations								
Financial Review and Investigations (S238/239 etc)	55.00	554.80	540.70	302.30	0.00	1,452.80	516,719.50	355.67
CDDA & Reports & Communication	0.00	0.80	3.20	29.70	0.00	33.70	6,857.00	203.47
Forensic Sales Ledger Investigation	0.00	2.00	7.20	0.00	0.00	9.20	3,308.00	359.57
Realisation of Assets								
Book Debts	0.00	12.30	11.60	73.30	0.00	97.20	21,754.00	223.81
Other Intangible Assets	0.00	5.40	20.40	18.90	0.00	44.70	15,375.50	343.97
Other Tangible Assets	1.00	1.40	4.50	9.10	0.00	16.00	5,094.00	318.38
Freehold and Leasehold Property	0.00	0.90	4.10	7.00	0.00	12.00	3,163.50	263.63
Pre-Appointment Tax Reclaims	0.00	0.20	0.80	5.30	0.00	6.30	1,924.00	305.40
Plant & Machinery & Fixtures & Motor Vehicles	0.00	1.20	0.00	0.70	0.00	1.90	781.50	400.79
Hire Purchase and Lease Assets	0.00	0.00	0.00	3.00	0.00	3.00	500.00	166.67
Trading								
Trading - Employees	0.00	0.60	0.00	0.20	0.00	0.80	312.00	390.00
Total Hours:	165.00	690.65	764.00	1,124.95	0.00	2,684.60		319.20
Total Fees Claimed:	63,000.00	309,735.00	259,542.00	207,705.00	0.00		856,740.50	

Category 1 Disbursements.

Category of Disbursement	£
Bond Premium (Willis Limited)	225.00
Travel and Subistence	706.69
Locksmith (Locksmiths 2 Go Ltd London)	396.41
Postage (Pitney Bowes)	240.00
Storage Costs (Total Data Management Limited)	14.00
Total	1,582.10

Category 2 Disbursements.

There are no category 2 disbursements.

Escombe Lambert Limited (In Administration)

Analysis of the Joint Administrators' time costs for the period 20 May 2015 to 3 November 2015

Classification of Work Function	Partner	Manager	Senior	Assistant	Support	Total Hours	Time Cost	Avg Hourly Rate
Administration and Planning								
Strategy Planning & Control	3.00	9.90	0.00	64.60	0.00	77.50	22,822.00	294.48
Case Review and Case Diary Management	0.00	16.30	0.00	29.20	0.00	45.50	11,253.00	247.32
Statutory Meetings (Meetings & Reports & Notices)	0.00	3.40	0.00	53.20	0.00	56.60	13,561.00	239.59
Cashiering & Accounting	0.00	0.80	4.10	21.45	0.00	26.35	6,392.50	242.60
Tax Compliance/Planning	0.00	0.00	0.00	10.05	0.00	10.95	2,188.00	199.82
Dealings with Directors and Management	0.00	0.00	0.00	6.85	0.00	6.85	1,818.00	273.38
IPS Set Up & Maintenance	0.00	0.00	0.00	1.00	0.00	1.00	140.00	140.00
Insurance	0.00	0.00	0.00	0.60	0.00	0.60	92.00	153.33
Creditors								
Creditors Committee	2.00	11.50	0.00	31.40	0.00	44.90	15,306.00	340.94
Non Preferential Creditors/Employee Claims Handling	0.00	2.10	0.00	20.05	0.00	22.15	5,884.00	265.64
Communications with Creditors/Employees	0.00	1.10	0.00	26.65	0.00	27.75	6,071.00	218.77
Non Preferential Creditor Claims Adjudication and Distribution	0.00	0.00	0.00	1.90	0.00	1.90	608.00	320.00
Secured Creditors	0.00	0.00	0.00	0.75	0.00	0.75	90.00	120.00
Investigations								
Financial Review and Investigations (S236/238 etc)	10.80	171.20	254.00	47.90	0.00	483.90	182,947.00	378.07
CDDA & Reports & Communication	0.00	0.30	0.00	5.80	0.00	6.10	1,760.00	288.52
Forensic Sales Ledger Investigation	0.00	2.00	0.00	0.00	0.00	2.00	860.00	430.00
Realisation of Assets								
Other Intangible Assets	0.00	0.40	0.00	9.80	0.00	10.20	3,328.00	326.27
Book Debts	0.00	1.10	0.00	11.50	0.00	12.60	3,458.00	274.44
Other Tangible Assets	0.00	1.20	0.00	8.30	0.00	9.50	2,532.00	337.80
Freehold and Leasehold Property	0.00	0.00	0.00	2.60	0.00	2.60	492.00	189.23
Hire Purchase and Lease Assets	0.00	0.00	0.00	2.80	0.00	2.80	436.00	155.71
Pre-Appointment Tax Reclaims	0.00	0.00	0.00	1.00	0.00	1.00	320.00	320.00
Total Hours	15.80	222.20	254.00	355.20	0.00	851.30		331.68
Total Fees Claimed	9,480.00	93,412.00	87,714.00	74,998.00	0.00		262,360.50	

Category 1 Disbursements.

Category of Disbursement	£
Travel and Subistence	98.91
Storage Costs (Total Data Management Limited)	14.00
Total	112.91

Category 2 Disbursements

There are no category 2 disbursements.

Escombe Lambert Limited (In Administration)
Joint Administrators' Expenses

Company	Expenses (as per Receipts and Payments Account)	Activity	Fee Basis	Reporting Period	
				Incurred (£)	Amount Paid (£)
Professional Advisors					
Mr Momay Korkue	Sub Contractors	Fees in relation to the completion of the Company's pre-appointment VAT returns	Time cost basis	850 00	850 00
Taylor Wessing LLP	Pre-Appointment Legal Fees & Legal Fees	Legal advice in relation to placing the Company into Administration, the assignment of the book debts to SCI and advice in relation to an Employment Tribunal brought by a former employee of the Company	Time cost basis	11 843 00	11 843 00
Stephenson Harwood LLP	Legal Fees	Ad hoc legal advice throughout the Administration and specifically in relation to the assignment of book debts to SCI and pursuing certain recovery actions (as discussed in more detail within the report)	Time cost basis	32,249 00	-
ALMT Legal	Legal Fees	Solicitors based in India to assist with the sale of the Company's shares in Global.	Time cost basis	2 075 57	1 575 57
LB Group Limited	Accountants' Fees	Accountants' fees for assisting with the Company's tax affairs.	Time cost basis	1,200 00	
Duff & Phelps Ltd (Canada)	Agents/Valuers' Fees	Retrieval of information stored on the Company's IT systems and provision of electronic discovery services to enable forensic analysis.	Time cost basis and agreed fee	2 024 72	-
SIA Group (UK) London Limited	Agents/Valuers' Fees	Valuing the Company's assets	Time cost basis	480 00	480 00
Accurate Mailing Services Limited	Stationery and Postage	Mailing agents - assisted with the production and sending of correspondence to the Company's creditors.	As invoiced	287 46	287 46
Royal Mail Group Limited	Re-Direction of Mail	Costs in relation to the re-direction of mail from the Company's former trading address.	As invoiced	320 00	320 00
20-20 Trustees Limited	Pension Agents	Advice and production of reports in relation to the Company's pension schemes.	As invoiced	400 00	400 00
Flexible Storage Solutions Limited	Storage Costs	Collection and storage of the Company's books and records.	As invoiced	1 671 40	1 371 40
Barclays Bank plc	Bank Charges	Banking charges.	As charged	37 42	37 42
Total				£53,438.57	£17,164.85

The Joint Administrators' choice of professional advisors was based on their perception of the experience and ability of the respective firms to perform their work, the complexity and nature of the assignment and the basis of their fee.

All amounts above are exclusive of VAT

Appendix 4

Copy of Approved Proposals

Escombe Lambert Limited (In Administration)

A copy of the Joint Administrators' Proposals

- 13 1 The Joint Administrators propose the following
- 13 1 1 That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect
 - 13 1 2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration
 - 13 1 3 That the Joint Administrators, when it is anticipated that no better realisations will be made in the Administration than would be available in a winding up, take the necessary steps to put the Company into either CVL, Company Voluntary Arrangement or into Compulsory Liquidation as deemed appropriate by the Joint Administrators. It is proposed that the Joint Administrators, currently Benjamin John Wiles and Paul David Williams of Duff & Phelps would act as Joint Liquidators should the Company be placed into CVL. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 2.117A of the Rules creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them
 - 13 1 4 That the Joint Administrators, in the event that they form the view that the exit options identified in proposal 13 1 3 above are inappropriate, then, in due course, take the necessary steps to give notice to the Registrar of Companies to the effect that the Company has no property which might permit a distribution to its creditors, at which stage the Administration will cease and the Company will subsequently be dissolved
 - 13 1 5 That the Joint Administrators be discharged from all liability pursuant to paragraph 98 of Schedule B1 of the Insolvency Act, upon filing the end of the Administration or their appointment otherwise ceasing
 - 13 1 6 Where a Creditors' Committee is not established that the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration
 - 13 1 7 Where a Creditors' Committee is not established that the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements")

Appendix 5

Proof of Debt Form

Proof of Debt – General Form

Escombe Lambert Limited (In Administration)		
Date of Administration 20 November 2014		
1	Name of creditor (If a company please also give company registration number)	
2	For correspondence Address of creditor	
	Contact telephone number of creditor	
	Email address of creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into Administration	
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the Administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf _____	
	Name in BLOCK LETTERS _____	
	Position with or in relation to creditor _____	
	Address of person signing (if different from 2 above) _____	
For Administrators' Use only		
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Administrator		Administrator

Appendix 6

Form 2.34B – Notice of move from Administration to Creditors' Voluntary Liquidation

The Insolvency Act 1986

**Notice of move from administration
to creditors' voluntary liquidation****2.34B**

Name of Company

Escombe Lambert Limited

Company number

03290394

In the
High Court of Justice, Chancery Division,
Companies Court, London

(full name of court)

For court use only
8326 of 2014(a) Insert full name(s) and
address(es) of administratorsWe (a) Benjamin John Wiles and Paul David Williams of Duff & Phelps Ltd, The Shard, 32
London Bridge Street, London, SE1 9SG,(b) Insert name and address of
the registered office of companyhaving been appointed Joint Administrators of (b) Escombe Lambert Limited, c/o Duff & Phelps
Limited, The Shard, 32 London Bridge Street, London, SE1 9SG

(c) Insert date of appointment

On (c) 20 November 2014 by (d) the Director of the Company

(d) Insert name of appointor

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) Benjamin John Wiles and Paul David Williams of Duff &
Phelps Ltd, The Shard, 32 London Bridge Street, London, SE1 9SG,(e) Insert name(s) and
address(es) of liquidator(s)

will be the Joint Liquidators of the company (IP No(s) 10670 and 9294)

Signed

Joint Administrator

Dated 22 October 2015

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 searches of
the public record

Duff & Phelps Ltd
The Shard
32 London Bridge Street
London, SE1 9SG

Tel +44 (0) 20 7089 4700

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