

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company
Ash Associates Communications Limited

Company number
03356834

In the High Court of Justice Chancery Division Manchester District Registry
(full name of court)

Court case number
850 of 2011

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

I/We (a)
Gary John Corbett
Milner Boardman & Partners
The Old Bank
187a Ashley Road
Hale
Cheshire
WA15 9SQ

Colin Burke
Milner Boardman & Partners
The Old Bank
187a Ashley Road
Hale
Cheshire
WA15 9SQ

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

(b) Insert date

From
(b) 11 May 2011

To
(b) 10 November 2011

Signed

Joint / Administrator(s)

Dated

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

Colin Burke
Milner Boardman & Partners
The Old Bank
187a Ashley Road
Hale
Cheshire
WA15 9SQ

DX Number

0161 927 7788
DX Exchange

The contact information that you give

with

pl



A27 29/11/2011 375

COMPANIES HOUSE

A46 23/11/2011 23

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



MILNER BOARDMAN
& PARTNERS
Corporate Recovery

ASH ASSOCIATES COMMUNICATIONS LIMITED- IN ADMINISTRATION

Joint Administrators'
Progress Report
In accordance with
Rule 2.47 of the Insolvency Act 1986

Covering the Period
11 May 2011 to 10 November 2011

21 November 2011

Milner Boardman and Partners
The Old Bank
187A Ashley Road
Hale
Cheshire
WA15 9SQ

High Court of Justice Chancery Division, Manchester District
Registry
No 850 of 2011

Our Ref CTB/AJ/1944/8

Joint Administrators'
Progress Report



MILNER BOARDMAN
& PARTNERS
Corporate Recovery

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1. Receipts and Payments Account
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1. The first part of the document is a list of names and titles, including "The Hon. Mr. Justice G. D. Young, Chief Justice of the Supreme Court of the Province of Ontario" and "The Hon. Mr. Justice A. G. Blair, Chief Justice of the Supreme Court of the Province of Quebec".

5. The following table shows the number of people who have been convicted of a crime in the United States since 1970, by race and sex. The data are from the U.S. Department of Justice, Bureau of the Census, and the U.S. Department of Education, Office of Education.

1. The first group of people who are not in the labor force are those who are not in the labor force because they are not in the labor force.

2. 1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100. 101. 102. 103. 104. 105. 106. 107. 108. 109. 110. 111. 112. 113. 114. 115. 116. 117. 118. 119. 120. 121. 122. 123. 124. 125. 126. 127. 128. 129. 130. 131. 132. 133. 134. 135. 136. 137. 138. 139. 140. 141. 142. 143. 144. 145. 146. 147. 148. 149. 150. 151. 152. 153. 154. 155. 156. 157. 158. 159. 160. 161. 162. 163. 164. 165. 166. 167. 168. 169. 170. 171. 172. 173. 174. 175. 176. 177. 178. 179. 180. 181. 182. 183. 184. 185. 186. 187. 188. 189. 190. 191. 192. 193. 194. 195. 196. 197. 198. 199. 200. 201. 202. 203. 204. 205. 206. 207. 208. 209. 210. 211. 212. 213. 214. 215. 216. 217. 218. 219. 220. 221. 222. 223. 224. 225. 226. 227. 228. 229. 230. 231. 232. 233. 234. 235. 236. 237. 238. 239. 240. 241. 242. 243. 244. 245. 246. 247. 248. 249. 250. 251. 252. 253. 254. 255. 256. 257. 258. 259. 260. 261. 262. 263. 264. 265. 266. 267. 268. 269. 270. 271. 272. 273. 274. 275. 276. 277. 278. 279. 280. 281. 282. 283. 284. 285. 286. 287. 288. 289. 290. 291. 292. 293. 294. 295. 296. 297. 298. 299. 300. 301. 302. 303. 304. 305. 306. 307. 308. 309. 310. 311. 312. 313. 314. 315. 316. 317. 318. 319. 320. 321. 322. 323. 324. 325. 326. 327. 328. 329. 330. 331. 332. 333. 334. 335. 336. 337. 338. 339. 340. 341. 342. 343. 344. 345. 346. 347. 348. 349. 350. 351. 352. 353. 354. 355. 356. 357. 358. 359. 360. 361. 362. 363. 364. 365. 366. 367. 368. 369. 370. 371. 372. 373. 374. 375. 376. 377. 378. 379. 380. 381. 382. 383. 384. 385. 386. 387. 388. 389. 390. 391. 392. 393. 394. 395. 396. 397. 398. 399. 400. 401. 402. 403. 404. 405. 406. 407. 408. 409. 410. 411. 412. 413. 414. 415. 416. 417. 418. 419. 420. 421. 422. 423. 424. 425. 426. 427. 428. 429. 430. 431. 432. 433. 434. 435. 436. 437. 438. 439. 440. 441. 442. 443. 444. 445. 446. 447. 448. 449. 450. 451. 452. 453. 454. 455. 456. 457. 458. 459. 460. 461. 462. 463. 464. 465. 466. 467. 468. 469. 470. 471. 472. 473. 474. 475. 476. 477. 478. 479. 480. 481. 482. 483. 484. 485. 486. 487. 488. 489. 490. 491. 492. 493. 494. 495. 496. 497. 498. 499. 500. 501. 502. 503. 504. 505. 506. 507. 508. 509. 510. 511. 512. 513. 514. 515. 516. 517. 518. 519. 520. 521. 522. 523. 524. 525. 526. 527. 528. 529. 530. 531. 532. 533. 534. 535. 536. 537. 538. 539. 540. 541. 542. 543. 544. 545. 546. 547. 548. 549. 550. 551. 552. 553. 554. 555. 556. 557. 558. 559. 560. 561. 562. 563. 564. 565. 566. 567. 568. 569. 570. 571. 572. 573. 574. 575. 576. 577. 578. 579. 580. 581. 582. 583. 584. 585. 586. 587. 588. 589. 590. 591. 592. 593. 594. 595. 596. 597. 598. 599. 600. 601. 602. 603. 604. 605. 606. 607. 608. 609. 610. 611. 612. 613. 614. 615. 616. 617. 618. 619. 620. 621. 622. 623. 624. 625. 626. 627. 628. 629. 630. 631. 632. 633. 634. 635. 636. 637. 638. 639. 640. 641. 642. 643. 644. 645. 646. 647. 648. 649. 650. 651. 652. 653. 654. 655. 656. 657. 658. 659. 660. 661. 662. 663. 664. 665. 666. 667. 668. 669. 670. 671. 672. 673. 674. 675. 676. 677. 678. 679. 680. 681. 682. 683. 684. 685. 686. 687. 688. 689. 690. 691. 692. 693. 694. 695. 696. 697. 698. 699. 700. 701. 702. 703. 704. 705. 706. 707. 708. 709. 710. 711. 712. 713. 714. 715. 716. 717. 718. 719. 720. 721. 722. 723. 724. 725. 726. 727. 728. 729. 730. 731. 732. 733. 734. 735. 736. 737. 738. 739. 740. 741. 742. 743. 744. 745. 746. 747. 748. 749. 750. 751. 752. 753. 754. 755. 756. 757. 758. 759. 760. 761. 762. 763. 764. 765. 766. 767. 768. 769. 770. 771. 772. 773. 774. 775. 776. 777. 778. 779. 780. 781. 782. 783. 784. 785. 786. 787. 788. 789. 790. 791. 792. 793. 794. 795. 796. 797. 798. 799. 800. 801. 802. 803. 804. 805. 806. 807. 808. 809. 810. 811. 812. 813. 814. 815. 816. 817. 818. 819. 820. 821. 822. 823. 824. 825. 826. 827. 828. 829. 830. 831. 832. 833. 834. 835. 836. 837. 838. 839. 8



1. Statutory Information

- 1 1 I was appointed Joint Administrator of Ash Associates Communications Limited together with Gary Corbett on 11 May 2011 by the High Court of Justice, Chancery Division, Manchester District Registry. The application for the appointment of Administrators was made by the directors.
- 1 2 The Administration is being handled by Milner Boardman & Partners, situated at The Old Bank, 187A Ashley Road, Hale, Cheshire, WA15 9SQ
- 1 3 The Administration is registered in the High Court of Justice, Chancery Division, Manchester District Registry, under reference number 850 of 2011
- 1 4 The trading address of the company was Ingram House, 13-15 John Adam Street, London
- 1 5 The registered office of the company is c/o Milner Boardman & Partners, The Old Bank, 187A Ashley Road, Hale, Cheshire, WA15 9SQ and its registered number is 03356834
- 1 6 The functions of the Administrators may be exercised by either both, acting jointly or alone

2. Receipts and Payments

- 2 1 Attached at Appendix 1 is the Joint Administrators' Receipts and Payments Account for the period from 11 May 2011 to 10 November 2011. The amounts shown do not reflect estimated future realisations or costs
- 2.2 As reported on 28 June 2011, the company ceased to trade and a licence to trade had been granted to Ash Heath PR & Marketing Limited. The chattel assets were valued by our agents Philip Davies & Sons of Stockport and a sale agreed to Ash Heath PR & Marketing Limited, with deferred payment terms agreed.
- 2 3 I can advise that the assets of the company have now been sold with the following amounts having been realised and are currently held by our agents Philip Davies & Sons:

| | |
|------------------|-------|
| Tangible assets | £1500 |
| Work in progress | £3000 |
| Goodwill | £500 |



-
- 2 4 As previously reported the company's current bank account was in credit in the sum of £39,992 02 which has been received
- 2 5 The receipts shown are self explanatory and total £47,460.53 and I would comment specifically on the following
- 2 5 1 **Book Debts** – The Company's book debt ledger was estimated to realise approximately £100,000 As at the date of this report an amount of £15,727 18 has been recovered with the assistance of the company's former director. An amount of £8258 71 is currently held by the former director and is due to be paid over to the Joint Administrators shortly The remaining debtors consist of approximately £80,000 from three clients who have been placed into Administration It is not known at this stage whether there will be any funds available from these debtors The remaining debtors are being pursued.
- 2 5 2 Payment for the sale of the assets in the sum of £5000 is currently held by Philip Davies & Sons.

3. Assets Still to be Realised

- 3 1 As detailed above, further funds could be realised in respect of the remaining book debts.
- 3 2 An amount of £7155 30 is due to the company in respect of a VAT refund.
- 3 2 The Joint Administrators are not aware of any other assets.

4. Future of the Company

- 4 1 As previously reported, it was stated that the purpose of the Administration was to achieve objective b) i.e. achieving a better result for the company's creditors as a whole that would be likely if the company were wound up. Based on current information, I anticipate that objective b will be achieved as a distribution will be made to unsecured creditors in this case after discharging all disbursements.
- 4 2 The Joint Administrators' proposals which have been approved by the creditors stated that the Joint Administrators may use any or a combination of the "exit route" strategies in order to bring the Administration to an end The proposals



stated that it is the intention that the Joint Administrators arrange for the company to exit the Administration by way of a Creditors Voluntary Liquidation pursuant to paragraph 83 of schedule B1 to the Insolvency Act 1986. Pursuant to paragraph 83(7) of schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) it is proposed that Colin Burke and Gary Corbett take the appointment as Joint Liquidators

However, if there are insufficient funds to enable a distribution to non-preferential unsecured creditors, then I propose dissolution pursuant to paragraph 84 of schedule B1 to the Insolvency Act 1986

- 4.3 The Joint Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect

5. Prospects for Creditors

5.1 Secured Claims

- 5.1.1 There are no registered charges against the company

5.2 Preferential Creditors

- 5.2.1 There are no preferential claims expected in this case as all employees were transferred

5.3 Unsecured Creditors

- 5.3.1 Based on current information, there is a prospect of a dividend being paid to unsecured creditors in this case. However the amount available to distribute will depend on any further amounts realised from debtors. Based on present information and assuming there are no further recoveries the distribution will be approximately 7 pence in the £1.

5.4 Prescribed Part

- 5.4.1 Under Section 176A of the Insolvency Act 1986, where after 15th September 2003 a company has granted to a creditor a floating charge, a proportion of the

net property realised must be made available exclusively for the unsecured creditors.

- 5.4.2 In this case, no relevant charges have been registered and therefore the prescribed part does not apply

6. Administrators' Remuneration

- 6.1 The creditors have agreed that the basis of the Joint Administrator's fees be fixed by reference to the time properly spent by them and their staff in managing the Administration
- 6.2 The Joint Administrator's time costs at 10 November 2011 are £38,882.50. This represents 139 hours at a rate of £278.03 per hour. Attached at Appendix 2 is a Time Analysis which provides details of the activity costs incurred by staff grade during this period. To date, fees of £35,000 have been drawn.
- 6.3 The main areas where time costs have been incurred are 'Administration and Planning', 'Investigations', 'Realisation of Assets' and 'Dealing with Creditors'. These areas are discussed in more detail below

6.4 Administration and Planning

- 6.4.1 A total of £18,618.75 has been spent on Administration and Planning. This includes time spent on meetings with Company Management and accountants, complying with our statutory duties, reporting to creditors and general administrative work.

6.5 Investigations

- 6.5.1 A total of £22,337.50 has been spent on investigations to date in respect of company assets and director conduct.

6.6 Realisation of Assets

- 6.6.1 A total of £10,307.50 has been spent on dealing with realisation of the assets, including dealing with the sale of assets and book debt collections.

6.7 Creditors

- 6 7.1 A total of £7722.50 has been spent on dealing with creditors. Work carried out relates to the secured creditor, trade creditors, finance companies, HM Revenue & Customs and employees, and includes advising creditors of our appointment, dealing with and processing their claims.

Also attached are details of creditors' rights in relation to the Administrators remuneration and also to request information on the Administrators remuneration and expenses.

7. Disbursements

- 7.1 Where disbursements are covered in respect of precise sums expended to third parties, there is no requirement for these costs to be authorised. These are known as Category 1 disbursements.
- 7.2 I therefore report that since my last report, £836.50 has been drawn in respect of the specific bond, legal fees and statutory advertising.
- 7.3 Further disbursements are expected to be received in respect of agent's fees of approximately £1000 and debt collection fees of approximately £1600.
- 7.3 Category 2 disbursements require creditor authorisation before they can be drawn. Milner Boardman & Partners do not charge Category 2 disbursements.

Should you require further information please contact this office on 0161 927 7788

Yours faithfully
for and on behalf of
Ash Associates Communications Limited



Colin Burke
Joint Administrator

Ash Associates Communications Ltd
(In Administration)

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

| | Statement
of affairs
£ | From 11/05/2011
To 10/11/2011
£ | From 11/05/2011
To 10/11/2011
£ |
|-----------------------------------|------------------------------|---------------------------------------|---------------------------------------|
| RECEIPTS | | | |
| Book Debts | 114,000 00 | 7,468 47 | 7,468 47 |
| Cash at Bank | 39,992 00 | 39,992 02 | 39,992 02 |
| Goodwill | 500 00 | 0 00 | 0 00 |
| Tangible assets | 1,500 00 | 0 00 | 0 00 |
| Work in progress | 3,000 00 | 0 00 | 0 00 |
| Bank Interest Gross | | 0 04 | 0 04 |
| | | <u>47,460 53</u> | <u>47,460 53</u> |
| PAYMENTS | | | |
| Specific Bond | | 60 00 | 60 00 |
| Office Holders Fees | | 35,000 00 | 35,000 00 |
| Legal Fees (1) | | 700 00 | 700 00 |
| Statutory Advertising | | 76 50 | 76 50 |
| VAT Receivable | | 7,155 30 | 7,155 30 |
| | | <u>42,991 80</u> | <u>42,991 80</u> |
| BALANCE - 10 November 2011 | | | <u><u>4,468.73</u></u> |

Colin Thomas Burke
Joint Administrator

Milner Boardman & Partners**TIME & CHARGEOUT SUMMARIES**

Ash Associates Communications Limited

| HOURS | | | | | | | |
|---------------------------------|-----------|-----------|---------------------------|----------------------------|-------------|-------------|-----------------------|
| Classification Of work Function | Partner | Manager | Other Senior Professional | Assistants & Support Staff | Total Hours | Time Cost £ | Average Hourly Rate £ |
| Administration & Planning | 29 25 | 41 00 | 0 00 | 1 25 | 71 50 | 18,618 75 | 260 40 |
| Investigations | 4 50 | 0 00 | 0 00 | 3 25 | 7 75 | 2,233 75 | 288 23 |
| Realisation of Assets | 25 25 | 8 50 | 0 00 | 0 00 | 33 75 | 10,307 50 | 305 41 |
| Creditors | 16 00 | 10 25 | 0 00 | 0 60 | 26 85 | 7,722 50 | 287 62 |
| Trading | 0 00 | 0 00 | 0 00 | 0 00 | 0 00 | 0 00 | 0 00 |
| Total Fees Claimed £ | 25,143 75 | 12,846 25 | 0 00 | 892 50 | | 38,882 50 | |
| Total Hours | 75 00 | 59 75 | 0 00 | 5 10 | 139 85 | | |
| Average Rate | 335 25 | 215 00 | 0 00 | 175 00 | | | |

MILNER BOARDMAN & PARTNERS – INFORMATION SHEET FOR CREDITORS

What if a creditor is dissatisfied with administration remuneration?

If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court

Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing.

If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration.

Creditors rights to information on the administration remuneration and expenses

Within 21 days of receipt of this progress report a creditor may request that the Joint Administrators provide further information about the remuneration and expenses set out in the report. Any request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

The Joint Administrators must provide the requested information within 14 days, unless they consider that

- The time involved in preparing the information would be excessive, or
- Disclosure would be prejudicial to the conduct of the Administration or might reasonably be expected to lead to violence against any person, or
- The Joint Administrators are subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days if the Joint Administrators refuse to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

If any creditors have any queries please contact 0161 927 7788