

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 November 2011

To (b) 10 May 2012

Signed

Joint / Administrator(s)

Dated

7/6/12

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

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

DX Number

0161 927 7788
DX Exchange

WEDNESDAY



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COMPANIES HOUSE

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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

Our Ref CTB/AJ/1944/8

7 June 2012

TO ALL KNOWN CREDITORS AND MEMBERS

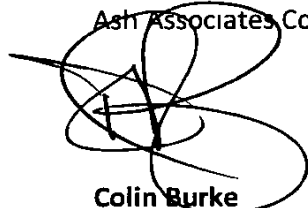
Dear Sirs

**Ash Associates Communications Limited - In Administration
Manchester District Registry 850 of 2011**

It is now over twelve months since my appointment in respect of the above company on 11 May 2011. I write in accordance with Rule 2.47 of The Insolvency Rules 1986 to provide creditors with a report on the progress of the administration. The report covers the period from 11 November 2011 to 10 May 2011 and should be read in conjunction with the Joint Administrators' Statement of Proposals dated 28 June 2011 and any further progress reports received after this date.

All progress made in implementing the approved proposals and achieving the statutory purpose of the administration will be reported on

Yours faithfully
for and on behalf of
Ash Associates Communications Limited



Colin Burke
JP Joint Administrator

Joint Administrators'
Progress Report



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 November 2011 to 10 May 2012

7 June 2012

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 DTB/AJ/1944/8

Joint Administrators'
Progress Report



MILNER BOARDMAN
& PARTNERS
Corporate Recovery

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APPENDICES

- 1 Receipts and Payments Account
- 2 Milner Boardman and Partners' Time Analysis



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 May 2012. The amounts shown do not reflect estimated future realisations or costs.
- 2 2 The strategy adopted by the Administrators 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. By selling the business and assets of the company to Ash Heath PR & Marketing Limited the customers received uninterrupted service which assisted in preserving the debtor ledger. Additionally, the staff were transferred to this company thus eliminating any preferential and unsecured claims from employees in this case.
- 2 3 The receipts shown are self explanatory and have been explained previously in the Joint Administrator's Proposals. I would however, comment on the following.
- 2 3 1 **Book Debts** – According to the book debt ledger, approximately £100,000 was owing to the company at the time the company ceased to trade. An amount



of £15,727.18 has been recovered to date. Unfortunately a number of bad debts have arisen, however, outstanding amounts are continuing to be pursued. It is not possible to advise how much, if any, will be recoverable, however, it is for this reason that the administration has been extended until 11 November 2012.

2.3.2 Bank Interest Gross – An amount of £0.11 has been received in respect of bank interest.

2.5 Payments since our last progress report total £12,180.01 and relate to Administrators fees, agents fees and debt collection fees.

3. Assets Still to be Realised

3.1 An amount of £4990 is due to the company in respect of a VAT refund.

3.2 Other than the book debts mentioned above, there are no other assets to be realised in this case.

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. Should there be further realisations from outstanding book debts, a distribution to unsecured creditors should be possible and therefore the purpose will be achieved.

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.
- 4.4 Until all realisable debts have been recovered, I am unable to close the case and it is for this reason that the Administration has been extended until 11 November 2012.

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 No preferential claims are expected in this case

5.3 Unsecured Creditors

- 5.3.1 The likelihood of a dividend being paid to unsecured creditors in this case is dependent on future book debt collections.

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 11 May 2012 are £59,650.50. This represents 211.25 hours at a rate of £282.36 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 £44,000 have been drawn
- 6.3 Also attached at Appendix 2, are details of creditors' rights in relation to the Administrators remuneration and also to request information on the Administrators remuneration and expenses.

Please note that from November 2011 Milner Boardman & Partners record time in 6 minute units, prior to this, time was recorded in 15 minute units.

- 6.4 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

6.5 Administration and Planning

- 6.5.1 A total of £24,554 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

6.6 Investigations

- 6.6.1 A total of £7,450.75 has been spent on investigations to date in respect of company assets and director conduct

6.7 Realisation of Assets

- 6.7.1 A total of £13,918.50 has been spent on dealing with realisation of the assets, including dealing with the sale of assets and pursuing the outstanding book debts

6.8 Creditors

6 8 1 A total of £13727 25 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

7. Disbursements

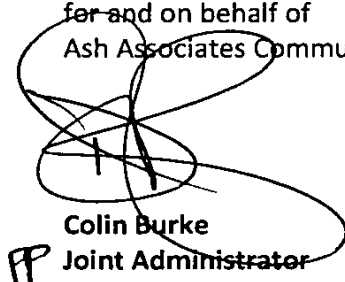
7 1 Where disbursements are covered in respect of precise sums expended to third parties, there is no requirement for these costs to be authorised. These are known as Category 1 disbursements

7 2 I therefore report that since my last report, £3180.01 has been drawn in respect of the agent's fees and debt collection fees.

7 3 Category 2 disbursements require creditor authorisation before they can be drawn. Category 2 disbursements include staff mileage costs. 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



MILNER BOARDMAN
& PARTNERS
Corporate Recovery

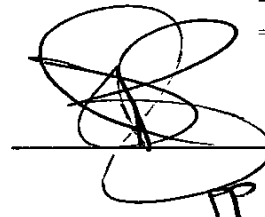
Appendix 1

Receipts and Payments Account

**Ash Associates Communications Ltd
(In Administration)**

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 11/05/2011 To 10/05/2012 £	From 11/05/2011 To 10/05/2012 £
RECEIPTS			
Book Debts	114,000 00	15,727 18	15,727 18
Cash at Bank	39,992 00	39,992 02	39,992 02
Goodwill	500 00	500 00	500 00
Tangible assets	1,500 00	1,500 00	1,500 00
Work in progress	3,000 00	3,000 00	3,000 00
Bank Interest Gross		0 11	0 11
		<u>60,719 31</u>	<u>60,719 31</u>
PAYMENTS			
Debt Collection Fees		2,430 01	2,430 01
Specific Bond		60 00	60 00
Office Holders Fees		44,000 00	44,000 00
Agents/Valuers Fees (1)		750 00	750 00
Legal Fees (1)		700 00	700 00
Statutory Advertising		76 50	76 50
VAT Receivable		4,990 00	4,990 00
		<u>53,006 51</u>	<u>53,006 51</u>
BALANCE - 10 May 2012			<u><u>7,712.80</u></u>



Colin Thomas Burke
Joint Administrator



MILNER BOARDMAN
& PARTNERS
Corporate Recovery

Appendix 2

Milner Boardman & Partners' Time Analysis

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

Milner Boardman & Partners

TIME & CHARGEOUT SUMMARIES

Ash Associates Communications Limited

To 11 May 2012

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	37 50	54 60	0 00	1 25	93 35	24,554 00	263 03
Investigations	18 60	0 00	0 00	3 25	21 85	7,450 75	341 00
Realisation of Assets	33 15	11 70	0 00	0 00	44 85	13,918 50	310 33
Creditors	23 05	22 75	0 00	5 40	51 20	13,727 25	268 11
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Fees Claimed £	38,772 25	19,145 75	0 00	1,732 50		59,650 50	
Total Hours	112 30	89 05	0 00	9 90	211 25		
Average Rate	345 26	215 00	0 00	175 00			