

The Insolvency Act 1986

Administrator's progress report

Name of Company

Able Services Limited

Company number

04333871

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

(full name of court)

Court case number
3833 of 2011(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Alexander Kinninmonth
RSM Tenon Recovery
Highfield Court, Tollgate
Chandlers Ford
Eastleigh
Hampshire, SO53 3TZCarl Stuart Jackson
RSM Tenon Recovery
Highfield Court, Tollgate
Chandlers Ford
Eastleigh
Hampshire, SO53 3TZ

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

From

To

(b) Insert date

(b) 12 November 2011

(b) 3 May 2012

Signed

Alexander Kinninmonth

Joint / Administrator(s)

Dated

3 May 2012**Contact Details:**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

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

Alexander Kinninmonth
RSM Tenon Recovery
Highfield Court, Tollgate
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Hampshire, SO53 3TZ

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DX Exchange

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

SATURDAY



Able Services Limited (“the Company”) – In Administration

**Joint Administrators’ First Progress Report
for the period from 12 November 2011 to 3 May 2012**

Issued on: 3 May 2012

Alexander Kinninmonth and Carl Stuart Jackson of RSM Tenon Recovery are the Joint Administrators of the Company and this is their report on the progress of the administration of the Company for the period from 12 November 2011 to 3 May 2012

1. Statutory Information

Statutory information relating to the Company is attached at **Appendix I**

2. Joint Administrators' receipts and payment account

A summary of the Joint Administrators' receipts and payments account relating to the Company for the relevant period from 12 November 2011 to 3 May 2012 and the whole period of administration from 11 May 2011 to 3 May 2012 is attached at **Appendix II**

3. Action taken by the Joint Administrators since appointment

I can confirm that the Joint Administrators' proposals for achieving the purpose of the administration were approved by creditors with modifications on 20 July 2011

Sale of Business

Following an extensive marketing campaign, the sale of the Company's business and assets to Able Services PDM Limited ("PDM"), a connected party by common directorship, completed shortly after the appointment of the Joint Administrators

The sale consideration was as follows

	(£)
Motor Vehicles	8,000
Equipment	18,500
Contracts	12,500
Goodwill	999
Work in Progress	5,000
Stock	1
	<u>45,000</u>

Plus 3% of gross profit for 12 months commencing on the completion date

I can advise that as at 3 May 2012, the full sale consideration of £45,000 has been received

For the months May 2011 to January 2012 the sum of £8,223 is due representing 3% of the gross profit. I have yet to receive this sum. In addition I am awaiting management accounts for the months February, March and April in order that I can calculate any final sums due in this regard

Book Debts

Bibby Factors Sussex Limited ("Bibby") held the benefit of a fixed and floating charge over the Company's book debts. Bibby have recently advised that the sum of £199,264 has been collected from which they have drawn £192,770.95 meaning that the liability to them has been repaid in full including termination charges. Bibby has

now passed over the remaining ledger which totals £765. It is not envisaged that any further recoveries will be made from the book debts.

Director's Loan Account

The Company records showed that there was an amount due from the director totalling £25,230. I can advise that I have sent several letters to the director asking for repayment but to date no funds have been forthcoming. Should I not receive a proposal for repayment shortly I will instruct solicitors to recover this sum.

Other Realisations

There was a fuel bond due to the Company from Fuelcard Services Limited. I can confirm that the sum of £6,963 has been received and no further realisations are expected in this regard.

The sum of £226 has also been received by way of an insurance refund.

Bank interest in the sum of £8.72 has accrued.

Investigations

Administrators have a duty to submit confidential reports or returns to the government's Disqualification Unit on the conduct of those persons who acted as directors of the Company in the three year period before the Administration. I can confirm that I have complied with my duties in this regard.

Move from Administration to Liquidation

The modifications stated that the Company will move from Administration to Liquidation within 3 months of the creditors meeting. I can confirm that steps were taken to place the Company into Compulsory Liquidation and a winding up petition was eventually presented on 22 March 2012. On 17 April 2012 the winding up petition and the application to support the Company's move to liquidation came before Deputy Registrar Schaffer at an informal "directions hearing". The purpose of this informal hearing was to decide whether to place the matter in the expedited list as we had requested, or the normal list for the hearing of the application for liquidation. We had asked for the petition to be put in the expedited list because we were aware the administration would automatically come to an end on 11 March 2012.

The initial proposals circulated by the joint administrators proposed that the administration would come to an end on the presentation of a winding up petition. However this clause was modified by HM Revenue and Customs modifications which called for the Company to be placed into liquidation three months after the meeting of creditors as such the joint administrators feel that this is a mute clause.

Unfortunately, it appears that the Registrar was not aware that the initial proposal had been modified, so he wrongly considered that the administration had already lapsed when the winding up petition had been presented, so there was no need for the application to be expedited. Accordingly, he placed it in the normal list for 21 May 2012.

We have been advised that the administration has not yet expired because the initial proposals had been modified at the creditors' meeting. The modified paragraph 14 (d) stated "the Company will move from Administration to Liquidation within 3 months following the meeting of creditors. Liquidation may be CVL in accordance with S83 Schedule B1 or compulsory under R4 7(7) as the administrator deems appropriate."

The problem is that once the administration has ended, we will not be able to present the petition, place the Company into liquidation, or be appointed as joint liquidators. We have been advised that it is therefore necessary to apply for an urgent order to extend the administration until after the hearing scheduled for 21 May 2012. Any creditor who requires details of the hearing to extend the administration should contact our office as soon as possible

The outcome of the application will be notified to all creditors in due course

4. Future Actions of the Joint Administrators

The Joint Administrators will continue to collect the outstanding sale consideration and periodically review PDM's management accounts to ensure that the correct amount of additional sale consideration is paid

The Joint Administrators will also continue to pursue the director for his outstanding director's loan account

In accordance with the modifications proposed at the meeting of creditors held on 20 July 2011, the Joint Administrators are in the process of petitioning for the Company to be placed into Compulsory Liquidation. I can advise that it is the Joint Administrators intention to be appointed as Joint Liquidators of the Company

5. Liabilities and dividends

Secured Creditors

As previously mentioned, Bibby hold the benefit of a fixed and floating charge over the Company's book debts. I can advise that Bibby have now been repaid in full under the terms of their fixed charge

Preferential Creditors

All staff employed at the date of the appointment of the Joint Administrators transferred to PDM under the terms of the sale and purchase agreement

However, four employees were made redundant prior to the appointment of the Joint Administrators and are owed a small amount of unpaid holiday pay. Claims have been submitted to the Redundancy Payments Office and it is estimated that approximately £2,000 is owed in this regard. Any distribution to preferential creditors will be reliant on the level of future realisations

Prescribed Part

There are provisions that require an Administrator to set aside a certain percentage of the Company's net property for the benefit of the unsecured creditors. However, as Bibby have been paid in full under their fixed charge and do not need to rely on their floating charge, the prescribed part provisions do not apply

Unsecured Creditors

To date claims totalling £870,710 have been received from unsecured creditors. Any distribution to the unsecured creditors will be reliant on the level of future realisations

6 Joint Administrators' Remuneration, Disbursements and Expenses

Basis of remuneration and disbursements

At the meeting of creditors held on 20 July 2011, the Joint Administrators' proposals for remuneration were approved. This provided for the Joint Administrators to be remunerated with reference to time properly spent in dealing with matters in the administration and that disbursements would be drawn in accordance with the tariff outlined in **Appendix III**.

Remuneration charged and drawn in the period

The Joint Administrators' time costs were charged (exc VAT) as follows

	Incurred	Paid
For this period 12 May 2011 to 3 May 2012	£38,214	£22,965

In accordance with Statement of Insolvency Practice 9 attached at **Appendix III** is a breakdown of these time costs

Disbursements incurred and drawn

The Joint Administrators' disbursements incurred during the period of this report and those reimbursed in the period are summarised below. Details are in the attached **Appendix III**

	Incurred	Paid
Category 1 disbursements for this period 12 May 2011 to 3 May 2012	£487	£487
Category 2 disbursements for this period 12 May 2011 to 3 May 2012	£103	£103
Total	£590	£590

Expenses (professional advisors) charged and drawn in the period

The following professional advisors have been instructed in this matter

<i>Professional Advisor</i>	<i>Nature of Work</i>	<i>Fee Arrangement</i>
PDT Solicitors	Preparation of documentation for the appointment of the Joint Administrators, drafting the sale and purchase agreement	Time costs plus disbursements
Cuthbert & Kingsley Ltd	Preparing valuation of the Company's assets and giving advice regarding the sale	Time costs plus disbursements

The choice of professionals was based on perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the Administrators' fee arrangement with them

Details of the costs incurred and paid by the Administrators in relation to administration expenses for the period are also attached at **Appendix III**

Pre-administration costs

Creditors also resolved on 20 July 2011 that the pre-administration costs amounting to £18,974 50 plus VAT, including fees charged and expenses and disbursements be paid out of the assets of the Company as an expense of the administration, and to be drawn as and when funds permit

I can confirm that the costs of PDT Solicitors totalling £6,500 have now been paid in full

I can advise that the pre-appointment time costs of £12,474 50 incurred by the Joint Administrators were paid in full on 25 November 2011

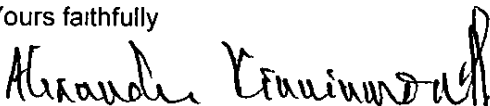
Creditors' Guide to Fees and statement of creditors' rights

Creditors have a right to request further information from the Administrators and additionally have a right to challenge the Administrators' remuneration and expenses time limits apply Details can be found in the document 'Remuneration Guidelines Administration (post 6 April 2010)' which you can access and download at <http://www.rsmtenon.com/creditorguides> Alternatively a copy is available free of charge upon request from the address above

7. End of Administration

As mentioned above, the Joint Administrators are in the process of petitioning for the Company to be placed into Compulsory Liquidation and it is the Joint Administrators intention to be appointed as Joint Liquidators

Yours faithfully



Alexander Kinninmonth

Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants
The affairs, business and property of the Company are being managed by the Administrators*

Appendix I

Company Information

Company Name	Able Services Limited
Previous Name	Able Drains Services Limited
Company Number	04333871
Date of Incorporation	4 December 2001
Trading Address	Thames Innovation Centre, Veridion Way, Erith, Greater London, DA18 4AL
Current Registered Office	Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ
Former Registered Office	Camburgh House, 27 New Dover Road, Canterbury, Kent, CT1 3DN
Principal Trading Activity	Maintenance of commercial drainage and plumbing

Appointment details

Joint Administrators' name and address	Alexander Kinninmonth of RSM Tenon Recovery, Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ and Carl Stuart Jackson of RSM Tenon Recovery Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ
Date of appointment	12 May 2011
Court Name and Reference	High Court of Justice, Chancery Division, Companies Court 2342 / 2011
Appointment made by	Bibby Factors Sussex Limited - Qualifying Floating Charge Holder
Actions of Joint Administrators	Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Administrators acting jointly or alone

Able Services Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 12/11/2011 To 03/05/2012	From 12/05/2011 To 03/05/2012
147,033 00	SECURED ASSETS		
	Book Debts	NIL	199,264 18
		NIL	199,264 18
(118,967 00)	SECURED CREDITORS		
	Bibby Factors Sussex Limited	NIL	192,770 95
		NIL	(192,770 95)
60,962 00	HIRE PURCHASE		
(58,462 00)	Motor Vehicles (Encumbered)	NIL	NIL
	Outstanding Finance	NIL	NIL
		NIL	NIL
18,500 00	ASSET REALISATIONS		
8,000 00	Equipment	17,498 00	18,500 00
12,500 00	Motor Vehicles (Unencumbered)	2,500 00	8,000 00
5,000 00	Contracts	NIL	12,500 00
1 00	Work in Progress	NIL	5,000 00
999 00	Stock	1 00	1 00
	Goodwill	1 00	999 00
	Rent	NIL	NIL
25,230 00	Director's Loan Account	NIL	NIL
	Bank Interest Gross	4 83	9 00
	Insurance Refund	NIL	225 65
	Fuel Bond	NIL	6,962 94
		20,004 83	52,197 59
	COST OF REALISATIONS		
	Pre-Appointment Costs	12,474 50	12,474 50
	Office Holders Fees	22,964 83	22,964 83
	Agents/Valuers Fees	NIL	4,250 00
	Legal Fees	1,467 00	8,351 70
	Accountants fees	6,000 00	6,000 00
	Statutory Advertising	NIL	140 00
		(42,906 33)	(54,181 03)
(2,000 00)	PREFERENTIAL CREDITORS		
	Employees - Unpaid Wages and Hold	NIL	NIL
		NIL	NIL
(263,137 97)	UNSECURED CREDITORS		
(450,432 00)	Trade and Expense Creditors	NIL	NIL
	HM Revenue and Customs - VAT/PAY	NIL	NIL
		NIL	NIL
(34,000 00)	DISTRIBUTIONS		
(100 00)	Preference Shareholders	NIL	NIL
	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(648,873.97)		(22,901 50)	4,509.79

REPRESENTED BY

Vat Receivable
Interest Bearing Current Account

1,416 67

3,093 12

4,509 79

Appendix III – Information relating to the Joint Administrators' Fees and Expenses

Appendix III

Able Services Limited

Information relating to the Joint Administrators' Fees and Expenses

1. Explanation of Administrators' charging and disbursement recovery policies

1.1. Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

Grade	£
Director and associate director	340 – 435
Senior manager, manager & Supervisor	235 - 310
Other senior professionals	150-195
Support and administration staff	105

1.2. Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by RSM Tenon Recovery and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case, (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011). Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements include elements of shared or allocated costs incurred by RSM Tenon Recovery and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, all business mileage (for cases commencing on or after 1 November 2011), internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by RSM Tenon Recovery are as follows

Category		Basis
stationery	4p, 3p, 35p	per envelope, letterhead or label
photocopying	5p	per page
faxes	50p	per page
storage	£7 20	per box per year
room hire	£100	fixed charge
car mileage	45p	per mile
other travelling		actual

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally

2. Description of work carried out

Section 3 of this appendix outlines the time costs to date in relation to activities undertaken during this period
These can be summarised as follows

2.1 Pre-appointment

Details of the Joint Administrators' pre-administration costs are set out in the main body of the report

2.2 Administration and planning

This includes the following activities which have been undertaken

- > Statutory duties associated with the appointment including the filing of relevant notices,
- > Notification of the appointment to creditors, members, employees and other interested parties,
- > Setting up case files,
- > Reviewing available information to determine appropriate strategy,
- > Setting up and maintaining bank accounts,
- > 6 monthly progress review of the case
- > Instructing lawyers to issue winding up petition
- > Attending upon lawyers and providing information to accompany witness statements for court hearings

Staff of different levels were involved in the above activities depending upon the experience required

2.3 Investigations

The time spent includes

- > Corresponding with the former directors and management,
- > Review of questionnaires and comments provided by interested parties,
- > Review of company documentation,
- > Completion of statutory returns to the Insolvency Service

Due to the complex nature and importance of the investigations, the staff utilised to conduct such work involved experienced members of staff

2.4 Realisation of assets

Please refer to the main body of the report but in summary the time spent includes

- > Liaison with agents and solicitors,
- > Correspondence and meetings with interested parties,
- > Monitoring and chasing of deposits,
- > Agreement of contracts
- > Monitoring and collecting deferred consideration payments
- > Calculating and pursuing additional sale consideration based on gross profit

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake. The sale of the business was particularly complex and required extensive involvement of the Administrators and senior staff

2.5 Creditors

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with employee related matters,
- > Recording creditor claims
- > Reporting to creditors,
- > Meetings of creditors,
- > Dealing with creditor queries,
- > Reviewing and evaluating creditor claims

3 Time and charge-out summary

For the period of this report from appointment on 12 May 2011 to 3 May 2012, the time costs incurred are £38,214, bringing the average charge out rate to £213.01

The table on the next page shows details of the time costs charged (exc VAT) in the current period

SIP9 Detailed

5011938 Able Services Limited
Corp Administration/Post Appt

12/05/2011 to 03/05/2012

RSM Tenon

	Related to Assets	Other Assets	Other Liabilities	Other Liabilities	Other Liabilities	Other Liabilities
Administration and planning						
General Administration	1.30	9.60	38.45	2.75	52.10	200.51
Strategy / Review	1.60	7.50	9.60	0.00	18.70	256.63
Tax Post Appointment	0.00	0.00	1.60	1.40	3.00	172.33
Billing	0.50	0.50	0.40	0.30	1.70	254.41
Cashiering (Administration)	0.00	0.80	19.20	0.00	20.00	191.28
Filing & Secretarial	0.00	0.00	1.00	0.70	1.70	186.18
Statutory Documentation	0.25	0.00	0.00	0.00	0.25	350.00
	3.65	18.40	70.25	5.15	97.45	20,390.50
209.24						
Creditors						
Other Creditor Related Activities	1.80	1.50	15.70	6.40	25.40	183.05
Reporting to Creditors	0.55	2.00	6.50	0.00	9.05	232.65
Cashiering (Creditors)	0.10	0.00	0.00	0.00	0.10	435.00
Creditor Correspondence/ Queries	0.20	0.00	0.30	0.00	0.50	291.00
Closure	2.00	0.00	5.50	0.00	7.50	236.33
Employee Related Tasks	0.00	1.00	6.60	0.00	7.60	189.34
	4.65	4.50	34.60	6.40	50.15	10,155.50
202.50						
Investigations						
Investigations	0.00	2.10	5.80	0.00	7.90	207.22
CDDA Report / Return	0.20	0.00	0.00	0.00	0.20	435.00
	0.20	2.10	5.80	0.00	8.10	1,724.00
212.84						
Realisation of assets						
Printed Date 03/05/2012 14:24:01						
Report date						1

4 Disbursements

Disbursements incurred during the period of this report and those reimbursed in the period are detailed below

Disbursements	Incurred £	This period	Paid £
<i>Category 1</i>			
Statutory Bond	120 00		0 00
Postage	95 55		0 00
Courier	246 00		0 00
Mileage	6 75		0 00
Total	468.30		0.00
<i>Category 2</i>			
Courier costs	96 00		0 00
Stationery	25 15		0 00
Total	121.15		0.00

The above costs exclude VAT

Professional advisors and expenses

The Joint Administrators have incurred administration expenses in connection with the instruction of the following parties,

Name & Activity	Incurred £	This period	Paid £
Cuthbert & Kingsley Valuation of Company's assets and advising during sale	4,250 00		4,250 00
PDT Solicitors Preparing documentation for the appointment of the Joint Administrators and drafting the sale and purchase agreement	6,884 70		6,884 70
PDT Solicitors Applying to court for winding up petition to include Counsels fees	5,851 70		0 00
Total	16,986.40		11,134.70

The above costs exclude VAT