

The Insolvency Act 1986

**Administrator's progress report**

Name of Company Aascent Finance Company Limited	Company number 04389134
In the High Court of Justice Chancery Division Companies Court	Court case number 5503 of 2008

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

We (a) Malcolm Shierson and Daniel Smith of Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU

administrators of the above company attach a progress report for the period


from

to

(b) 9 June 2009

(b) 6 July 2009

(b) Insert dates

Signed   
Joint AdministratorDated 6 August 2009**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

	Tel
DX Number	DX Exchange



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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

**Ascent Finance Company Limited - In Administration**  
**Joint Administrators Receipts and Payments Account**

**For the period from 9 June 2009 to 6 July 2009**

	£	£
	From 9 June 2009 to 6 July 2009	From 7 July 2008 to 6 July 2009
<b>RECEIPTS</b>		
Loan collections	-	18,664,686.48
Close Pipeline Funding - Trust Monies	-	11,717.98
Pre-Paid Commissions	-	43,589.00
Furniture & Equipment	-	2,182.00
Book Debts	-	5,029.73
Bank/ISA InterestGross	19.36	19,718.05
Cash at Bank	-	76,214.74
	<u>19.36</u>	<u>18,823,137.98</u>
<b>PAYMENTS</b>		
Employee Expenses	-	2,544.80
Employee Insurance	-	8,167.77
Rents	8,549.82	39,348.17
Heat & Light	-	2,825.45
Close - Management Fee	-	162,096.77
Telephone	1,124.52	6,961.72
Premium Adjustments	-	642,042.86
Broker Commission	-	16,255.07
Property Expenses	-	1,451.94
Funding Payments	-	45,728.84
Postages	-	1,300.00
PAYE/NI	336.38	84,471.39
Net Wages	9,508.99	194,546.07
Debt Collection costs	1,760.87	5,942.27
Administrators Fees	44,000.00	527,015.81
Administrators Expenses	-	1,521.42
VAT irrecoverable	6,808.42	96,257.42
Legal Fees	-	2,863.00
IT Fees	9,150.00	98,959.58
Forensic Investigation Fee	-	30,000.00
Re-Direction of Mail	-	49.80
Bank Charges	406.41	2,567.12
Floating Charge Creditor	-	16,500,000.00
Statutory Advertising	-	219.82
	<u>81,645.41</u>	<u>18,473,137.09</u>
Balance In Hand	- 81,626.05	350,000.89
	<u>19.36</u>	<u>18,823,137.98</u>



# Grant Thornton

Our Ref RXM/RJM/MBS/A00365/PF7

To the Creditors

Recovery and Reorganisation

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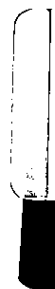
6 August 2009

Dear Sirs

**Aascent Finance Company Limited - In Administration (the Company)**  
**High Court of Justice, Chancery Division, Companies Court**  
**Case Number 5503 of 2008**

## 1 Introduction

- 1.1 Following the appointment of Daniel Smith and I as Joint Administrators of the above company by the Directors on 7 July 2008, I now report on the progress of the administration to date.
- 1.2 I enclose Form 2.24B together with an account of my receipts and payments for period ended 6 July 2009 in accordance with Rule 2.47 of the Insolvency Rules 1986.
- 1.3 In accordance with paragraph 100 (2) of Schedule B1 to the Insolvency Act 1986 the functions of the Joint Administrators are to be exercised by any or all of them.
- 1.4 The administration constitutes "main proceedings" under EC Regulation on Insolvency Proceedings.



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Chartered Accountants

Member firm within Grant Thornton International Ltd

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A list of members is available from our registered office.

Grant Thornton UK LLP is authorised and regulated by the Financial Services Authority for investment business.

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address.

## **2 Statutory Information**

2.1 The Company's statutory details are as follows:

Company Registration Number	04389134
Registered Office	C/O Grant Thornton UK LLP 30 Finsbury Square London EC2P 2YU
Trading address	No. 255 1 Liverpool Street London EC2M 7QD

## **3 Administrators' Proposals**

- 3.1 The Joint Administrators' proposals were circulated to creditors on 19 August 2008 and were approved without modification on 31 August 2008.
- 3.2 The Joint Administrators have pursued the objective of realising property in order to make a distribution to one or more secured or preferential creditors.
- 3.3 It was proposed that the best way to achieve the objective of the administration was to realise the assets of the Company via an orderly wind down of the business.

## **4 Report & Outcome**

- 4.1 For full details surrounding the background of the Company and the conduct of the administration, please refer to my previous reports dated 13 January 2009 and 8 June 2009.

### **Assets**

- 4.2 The Company's assets can be identified as falling within the following categories:

### **Current Loan Book**

- 4.3 The Directors Statement of Affairs indicated an amount of c£21million for the outstanding loan book at the date of appointment. The Joint Administrators completed a detailed review and concluded that the loan book amounted to c£20million, for which a minimum of £17.6million was deemed recoverable. This takes into account loans not taken up, cancellations and defaults.
- 4.4 I have completed my collection of the outstanding loan book, with a greater than expected total of c£18.7million being realised, including live loan collections, return premiums, shortfalls and defaults.

### **IT & Software**

- 4.5 The Company had IT hardware and software based at its office. It is unlikely that there will be any further realisations arising from the disposal of this equipment.

#### **Pre-Paid Commission**

- 4.6 A number of brokers were paid commission in advance and the recovery of these amounts was pursued, with realisations totalling £43,589.

#### **Fixture & Fittings**

- 4.7 Realisations in respect of the above total £2,182. I anticipate no further realisations.

#### **Liabilities**

- 4.8 The estimated liabilities of the Company are as follows:

#### **Secured Creditor**

- 4.9 The Bank holds a fixed, and floating charge over the Company's assets. At the date of our appointment, the Bank's indebtedness was approximately £32million. To date £16.5million has been distributed to the Bank as the secured creditor.

#### **Preferential Creditors**

- 4.10 Upon my appointment, ten members of staff were made redundant. Further redundancies were made in October 2008 and January 2009, with only three members of staff continuing to be employed, with final redundancies made on 31 July 2009.
- 4.11 All of the employees' preferential claims were paid by the Joint Administrators, therefore there are no outstanding preferential liabilities.

#### **Unsecured Creditors**

- 4.12 As advised in my Statement of Proposals, the current estimates of the total unsecured creditors stands at c£961k. There will be insufficient funds to enable a distribution to be made to the unsecured creditors. In this case there is no prescribed part as the bank's charge pre-dates the Enterprise Act 2003.

### **5 Exit Route From Administration**

- 5.1 As advised above, insufficient funds have been realised in order to allow a distribution to the unsecured creditors.
- 5.2 Accordingly, the administration will end with the Company being dissolved pursuant to paragraph 84 of Schedule B1 of the Insolvency Act 1986.
- 5.3 The Joint Administrators advise that they will seek to be discharged from liability 14 days after the final report is filed in Companies House pursuant to paragraph 98 of Schedule B1 of the Insolvency Act 1986. As it is anticipated that there will be no distribution to the unsecured creditors, the Joint Administrators will seek approval for release from the administration from the secured creditor.

## **6 Administrators' Remuneration And Disbursements**

- 6.1 The Administrators' remuneration is determined in accordance with Rule 2.106 of the Insolvency Rules 1986, as amended by the Enterprise Act 2002. Where a statement to the effect that there will be no funds available to unsecured creditors, the Joint Administrators remuneration will be approved by the company's secured and preferential creditors (if applicable).
- 6.2 The Joint Administrators charge out of pocket expenses at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.
- 6.3 Background information regarding the fees of administrators can be found at <http://www.insolvency-practitioners.org>. (navigate via Technical to 'Creditors Guide to Fees'). Alternatively I will supply this information by post on request.
- 6.4 Should you have any further queries, please contact Rob Mitchell on 020 7728 3198.

Yours faithfully  
for and on behalf of Aascent Finance Company Limited



Malcolm Shierson  
Joint Administrator