

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

Name of Company

Branded Media Limited

Company number

04623064

In the
Portsmouth County Court

(full name of court)

Court case number
980 of 2010(a) Insert full
name(s) and
address(es) of
administrator(s)

I/We (a) Carl Derek Faulds
Portland Business & Financial Solutions
1640 Parkway
Solent Business Park
Whiteley
Fareham
Hampshire
PO15 7AH

James Richard Tickell
Portland Business & Financial Solutions
1640 Parkway
Solent Business Park
Whiteley
Fareham
Hampshire
PO15 7AH

(b) Insert name and
address of the
registered office of
company

having been appointed administrator(s) of (b) Branded Media Limited
1640 Parkway Solent Business Park, Whiteley Fareham, Hampshire PO15 7AH

(c) Insert date of
appointment

on (c) 9 December, 2010

(d) insert name of
applicant/
appointerby (d) director of the company
hereby give notice that(e) Insert name(s)
and address(es) of
liquidator(s)

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is
proposed that (e) Carl Derek Faulds and James Richard Tickell of Portland Business & Financial
Solutions 1640 Parkway Whiteley Fareham Hampshire PO15 7AH
will be the liquidator(s) of the company (IP No(s) 008767 008125)

Signed

Dated

Joint / Administrator(s)

9th February 2011

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

Carl Derek Faulds
Portland Business & Financial Solutions
1640 Parkway
Solent Business Park
Whiteley
Fareham
Hampshire
PO15 7AH
DX Number post@portbfs.co.uk

01489 550 440
DX Exchange



A23

12/02/2011

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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

/ Limited, Glasgow, Scotland

SATURDAY

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1640 Parkway
Solent Business Park
Whiteley
Fareham
Hampshire
PO15 7AH
Telephone 01489 550440
Facsimile 01489 550499
E-mail post@portbfs.co.uk

CF/JT/NL/AP/AJ/B7072/C GEN

To the creditors of the company

11th February 2011

Branded Media Limited in administration

Report following meeting of creditors

Progress report and notice of conversion to liquidation

We are writing to provide you with our progress report in respect of the above named company of which we were appointed joint administrators on 9th December 2010, and to inform you that the company is now being placed into liquidation

We enclose statutory details of our appointment

Meeting of creditors


At the meeting of creditors held on 4th February 2011 the administrators' proposals were approved without modification. We enclose form 2.23B in that regard.


A creditors' committee was not formed.

Update on outcome compared with our original proposals

We enclose a summary of our receipts and payments account showing the realisations for the administration together with a comparison against the original projections, which we trust you will find self-explanatory.

 **Corporate Finance**
Business sales &
Acquisitions
Refinancing

 **Business Recovery**
Viability reviews
Administrations
Voluntary arrangements

 **Insolvency**
Investigations
Liquidations
Bankruptcy

Portland Business & Financial Solutions Ltd
Registered No 3830668
Carl D Faulds, Mike Fortune, James Tickell
All Licensed Insolvency Practitioners are authorised
by the Insolvency Practitioners Association

As set out in our proposals, following our appointment we continued to trade for a short period whilst we attempted to complete a sale of the business. We completed profitable work in progress during this time. The majority of the costs of trading were demanded to be paid up front as suppliers would not give credit to a company in administration. Sales invoicing was completed on a 30 day basis. We have received £1,285 from the work in progress to date but do anticipate that the final receipts will be in excess of the costs incurred to trade.

We completed a sale of the business on 17th December 2010 as set out in our proposals.

Branded Print Limited an associated company controlled and operated by Sean Fergusson purchased the business on the following basis:

- £25k cash consideration, payable as one upfront instalment of £5k plus further payments of £10k on 20th January 2011 and 21st February 2011
- 5% of turnover (as recorded on the company's submitted quarterly VAT returns) on turnover over £2m achieved in the first two years trading
- The sale consideration is supported by a personal guarantee provided by Sean Fergusson

The initial payment of £5,000 was paid to our solicitors who are holding the funds on account. The second instalment of £10,000 has been received.

We regarded the debts owed to the company separately from the other business assets and made arrangements to collect them. Given that the purchasing company retained the former staff of the company, we have taken the view that it would be more cost effective and efficient for their internal accounts staff to conduct the debt collection exercise as agents for the administrators and subsequent liquidators. In return for undertaking the debtor collection exercise the consideration of 10% of debtor receipts will be paid. Debtors of £44,256 have been collected to date.

The cash at bank of £82,241 and cash in client account of £20,000 have been transferred to the administration account.

Investigation

In our proposals we invited creditors to bring to our attention any matters that they believe require further investigation. We repeat this request now. We shall continue our investigations into the affairs of the company during the liquidation.

Creditors' claims and dividend prospects

A summary of the position regarding creditors' claims is set out below -

	Creditor totals			Dividend totals	
	Statement of affairs £000	Claims received £000	Claims agreed £000	Paid to date £000	%
Secured claims	Nil	N/A	N/A	N/A	N/A
Preferential claims	Nil	N/A	N/A	N/A	N/A
Unsecured creditors	794	785	See note	Nil	Nil

We comment further as follows -

- The company held leasehold premises. We established that there was no realisable premium which could be achieved from an assignment of the lease. The company's interest will be disclaimed in the liquidation.
- We have not yet received a claim from the largest creditor, whose claim is estimated at £300k.
- The company has VAT arrears for a period less than one year and PAYE and National Insurance arrears from May 2010 onwards. We have received an estimated claim from HM Revenue & Customs in respect of PAYE and National Insurance of £459k, which is significantly in excess of what the company's records indicate. This is believed to be due to a previous reallocation of deductions, this is under review.

Our projection of the next dividend and likely timescale is as follows:-

	Next dividend		Projected total dividend %
	Amount %	Projected date	
Secured claims	Nil	N/A	N/A
Preferential claims	Nil	N/A	N/A
Unsecured claims	10	September 2011	20

Administrators' fees and disbursements

At the meeting of creditors it was resolved that our remuneration should be based on our time costs. We are now required to provide creditors with details relating to those time costs and the disbursements that we have incurred to date in the administration. This is analysed on the attached schedule, along with a schedule of our current charge-out rates and disbursements policy, and the totals are summarised below

	Administration total
	£
Time costs	19,866
Average hourly rate	153
Fees drawn	19,500

In the attached analysis, we have recorded time in the following categories of work that we have handled -

- **Asset realisations** – Taking appropriate measures to realise the assets of the company, as more fully explained under the heading 'Update on outcome compared with our original proposals'
- **Administration and planning** - Internal management of the case to ensure it is completed in an efficient manner and in accordance with good practice. Maintaining the estate accounts and ensuring compliance and statutory filing requirements
- **Reporting** – Communicating with creditors about initial appointment, preparing and distributing reports and proposals
- **Investigation** - Carrying out a review of the events leading up to failure and completing the CDDA reports, which is explained in more detail under the heading of 'Investigation' above
- **Creditors' claims** – Corresponding with creditors about their claims, as more fully described under the 'Creditor claims and dividends' above

We have also instructed agents to handle certain aspects of the administration on our behalf where it was either more cost-effective for them to do so or where they have a particular expertise that was required. A summary of the name of agents, the work handled, the basis of the fees paid and the amounts paid and accrued is given below

Name and profession	Nature of work handled	Basis of fees paid	Paid and accrued to date (+) £000
Coffin Mew Solicitors	Business sale agreement Landlord issues General legal advice	Time cost	7
Branded Print	Debt collection	% realisations	4

+ the amounts paid to date are shown in the attached receipts and payments account and the balance to arrive at the amounts shown above has been incurred but not paid

We have drawn a fee of £3,000 in respect of time costs incurred in work undertaken prior to the appointment of the joint administrators, in particular in deciding whether acceptance of the director's nomination was appropriate, dealing with any creditors entitled to notice of the appointment and in dealing with the formalities of placing the company into administration, all in accordance with rule 2 67(1)(c) of the Insolvency Rules 1986

We have also drawn £7,000, based on the time costs incurred prior to our appointment in advising the company about the impending insolvency, in assessing the financial position of the company, in reviewing the company's work in progress with a view to ascertaining the viability of completing it during the administration and in dealing with then necessary preparations to trade the company in administration. These are areas that would need to have been completed during the administration in any event but were more effectively completed beforehand

Commencement of liquidation

We have today sent to Companies House the formal notice of move to liquidation, which commences when the notice is registered. We enclose a copy of this notice (Form 2 34B)

Carl D Faulds
Joint Administrator

Within twenty-one days of receipt of this progress report, a creditor may make a written request for further information in relation to the report, including information about the administrators' remuneration or expenses. If a creditor believes that this remuneration is excessive, the basis is inappropriate, or the expenses incurred by the administrators are excessive, the creditor may, provided certain conditions are met, apply to court within eight weeks of receiving the progress report to challenge these.

Further information regarding administrators' fees can be found by visiting the following website link:

<http://www.insolvency-practitioners.org.uk/uploads/adm.pdf>

Attachments

- Summary of receipts and payments
- Statutory information
- SIP 9 time analysis (total)
- Schedule of charge out rates

Branded Media Limited
(In Administration)

Joint Administrators' receipts and payments account

	Statement of affairs £	From 09/12/2010 To 09/02/2011 £	From 09/12/2010 To 09/02/2011 £
RECEIPTS			
<u>Trading realisations -</u>			
Work-in progress	45,000 00	1,285 00	1,285 00
 Sale of business	 25,000 00	 10,000 00	 10,000 00
Book debts	110,000 00	44,256 05	44,256 05
Cash at bank	82,000 00	82,241 43	82,241 43
Cash in client account	20,000 00	20,000 00	20,000 00
		<hr/> 157,782 48	<hr/> 157,782 48
 PAYMENTS			
<u>Trading expenditure (to complete work in progress) -</u>			
Material and subcontractor costs		18,830 48	18,830 48
Wages		13,857 52	13,857 52
 Court filing fee		 30 00	 30 00
Affidavit fee		10 00	10 00
Statutory advertising		125 00	125 00
Postal redirection fee		25 96	25 96
Specific penalty bond		330 00	330 00
Direct travel expenses		1 48	1 48
Courier fee		44 80	44 80
Bookkeeping fees		153 98	153 98
Debtor realisation fee		2,057 00	2,057 00
Insurance of assets		262 49	262 49
Administrators' pre-appointment fee - pursuant to rule 2 67(1)(c)		3,000 00	3,000 00
Administrators' pre-appointment fee - financial review		7,000 00	7,000 00
Joint administrators' remuneration		19,500 00	19,500 00
Bank charges		60 00	60 00
VAT receivable		7,961 54	7,961 54
		<hr/>	<hr/> 73,250 25
 Balance as at 9th February 2011			 <hr/> 84,532 23

Company name in administration**Statutory details relating to the administration**

This section provides background information about the company, the events leading up to the administration appointment and the conduct of the administration

Details of the court and the reference number

Supervising court	Portsmouth County Court	Court reference number	980 of 2010
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Details of the company

Full registered name	Branded Media Limited	Registered number	04623064
Former registered office	8a The Gardens Broadcut Fareham Portsmouth PO16 8SS	Former trading address	Unit A Lutyens Industrial CentreBilton Road BasingstokeHampshire RG24 8LJ

Details about the administration appointment

Name of administrators and licensing bodies	James Richard Tickell	Insolvency Practitioners Association	
	Carl Derek Faulds	Insolvency Practitioners Association	
Date of appointment	09 December 2010	Appointer	The directors of the company
Allocation of administrators' powers	All the powers and functions of an administrator are exercisable by either or both of the appointed administrators		

Details of the administration proposals

Date of original proposals	17 th January 2011	Details of any subsequent amendments	None
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The Insolvency Act 1986

Notice of result of meeting of Creditors

Name of Company

Branded Media Limited

Company number

04623064

In the
Portsmouth County Court

(full name of court)

Court case number
980 of 2010(a) Insert full name(s)
and address(es) of the
administrator(s)I/We (a)
Carl Derek Faulds
Portland Business & Financial Solutions
1640 Parkway
Solent Business Park
Whiteley
Fareham
Hampshire
PO15 7AHJames Richard Tickell
Portland Business & Financial Solutions
1640 Parkway
Solent Business Park
Whiteley
Fareham
Hampshire
PO15 7AH

hereby report that a meeting of the creditors of the above company was held at

(b) Insert place of
meeting

(b) 1640 Parkway, Solent Business Park, Whiteley, Fareham, Hampshire, PO15 7AH

(c) Insert date of meeting

on (c) 4 February, 2011 at which

*Delete as applicable

*1 ~~Proposals/revised proposals~~ were approved*2 ~~Proposals/revised proposals were modified and approved~~

The modifications made to the proposals are as follows -

(d) Give details of the
modifications (if any)

(d) None

*3 ~~The proposals were rejected~~(e) Insert time and date of
adjourned meeting
(f) Details of other
resolutions passed

*4 The meeting was adjourned to (e) N/A

*5 Other resolutions (f) None

The revised date for automatic end to administration is N/A

A creditors' committee was not formed

Signed

Joint / Administrator(s)

Dated

9th February 2011

*Delete as applicable

A copy of the original proposals is attached for those who did not receive such documents prior to the meeting

Branded Media Limited in administration

SIP9 Time and cost summary

From 9th December 2010 To 9th February 2011

Classification of work function	Partner	Manager	Other senior professionals	Assistants and support staff	Total hours	Time cost (£)	Average hourly rate (£)
Realisation of assets	1 90	5 20	24 00	4 00	35 10	4,812 50	137 11
Administration and planning	0 50	0 70	1 50	0 00	2 70	463 50	171 67
Creditors	2 00	4 00	42 90	3 20	52 10	6,819 50	130 89
Investigations	0 50	1 90	0 20	0 00	2 60	600 50	230 96
Reporting	0 30	1 50	8 60	0 00	10 40	1,842 00	177 12
Trading	2 90	10 00	14 10	0 00	27 00	5,396 00	199 85
Total Hours	8.10	23.30	91.30	7 20	129 90	19,934 00	153 46
Total Fees Claimed						19,500.00	

Category 2 Disbursements	Accrued in period £	Paid in period £	Total accrued £	Total paid £
Postage, stationery, telephone	100 77	0 00	100 77	0 00
Photocopying	2 00	0 00	2 00	0 00
Mileage	115 18	0 00	115 18	0 00
Room hire	0 00	0 00	0 00	0 00
Storage	0 00	0 00	0 00	0 00
Faxes	13 00	0 00	13 00	0 00
Company searches	12 00	0 00	12 00	0 00
	242.95	0.00	242 95	0 00

PORTLAND BUSINESS & FINANCIAL SOLUTIONS LTD.

Schedule of current charge out rates

We have revised our charge out rates with effect from 1st September 2010. Our rates are set out below together with comparative details of the previous schedule of rates, which were effective between 1st February 2009 and 31st August 2010.

	Previous rate per hour £	Current rate per hour £
Director	245	285
Senior manager - London	235	280
Associate	235	280
Senior manager	195	225
Case manager	175	195
Case administrator	150	165
Administrator	85	95
Cashiers	85	95
Support staff	65	70

Appropriate grades of staff will be allocated to each assignment according to the size and complexity of the matter.

The charge out rates are subject to review.

Schedule of disbursements

(effective from 1st February, 2009 and unchanged at 1st September 2010)

Category 1 (specific recharges)

Statutory advertising	-	As billed
Fidelity Bonds	-	As billed
Room hire	-	As billed
Travel (rail, parking, etc)	-	As billed
Storage (external)	-	Commercial rates as billed
Affidavits	-	As billed

Category 2 (paid to Portland Business & Financial Solutions Ltd.)

Postage and stationery	-	Three times postage cost
Photocopying	-	10p per copy
Facsimile	-	£1 per page
Mileage	-	Inland Revenue agreed rate currently 40p per mile
Room Hire	-	£100 per meeting
Storage (Portland archive)	-	£30 - £150 per year
Company searches	-	Two times cost