

The Insolvency Act 1986

Administrator's progress report

Name of Company

Ashton Consulting (UK) Limited

Company number

04636928

In the
High Court of Justice

(full name of court)

Court case number
3279 of 2015(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Nicholas O'Reilly
Moorfields
88 Wood Street
London
EC2V 7QFSimon Thomas
Moorfields
88 Wood Street
London
EC2V 7QF

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

(b) Insert date

From

(b) 17 December 2015

To

(b) 16 June 2016

Signed

Joint / Administrator(s)

Dated

16/06/16

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

Nicholas O'Reilly
Moorfields
88 Wood Street
London
EC2V 7QF

DX Number

0207 186 1144
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

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COMPANIES HOUSE

WEDNESDAY

Ashton Consulting (UK) Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 16/06/2016

S of A £	£	£
SECURED ASSETS		
Goodwill	17,500 00	
Bank Interest	11 30	
Contribution to costs	<u>8,670 73</u>	
		26,182 03
COSTS OF REALISATION		
Insurance	219 00	
Legal Fees	12,897 00	
Outsourced Bookkeeping Services	<u>9,821 98</u>	
		(22,937 98)
ASSET REALISATIONS		
Office fixtures and fittings	4,500 00	
Licence Fees	8,000 00	
Bank Interest Gross	3 70	
Business Rates Refund	<u>955 19</u>	
		13,458 89
COST OF REALISATIONS		
Office Holders' Cat 1 disbursements	531 34	
Service Charge	883 42	
Agents/Valuers fees	1,660 00	
Stationery & Postage	276 39	
Storage Costs	320 28	
Statutory Advertising	84 60	
Rents Payable	<u>8,000 00</u>	
		(11,756 03)
		<u>4,946.91</u>
REPRESENTED BY		
Vat Receivable		751 21
Bank 1 Current - Fixed - Interest Bearing		2,016 02
Bank 2 Current - Floating - Interest Bearing		951 65
Fixed Ch Vat Receivable		4,307 19
Fixed Ch Vat Payable		(3,079 16)
		<u>4,946.91</u>

Ashton Consulting (UK) Limited (In Administration)

Joint Administrators’ First Progress Report

in accordance with

Rule 2.47 of the Insolvency Rules 1986 (as amended)

5 July 2016

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Disclaimer

This report has been prepared for the sole purpose of updating creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Ashton Consulting (UK) Limited – In Administration (“the Company”)

1. Background and Statutory Information

This is the Joint Administrators' first progress report on the conduct of the Administration from 17 December 2015 to 16 June 2016 in accordance with the requirements of Rule 2.47 of the Insolvency Rules 1986 (as amended) (“the Rules”)

This report should be read in conjunction with the Joint Administrators' Statement of Proposals (“the Proposals”) circulated to all known creditors on 20 January 2016. The Proposals were approved as circulated in accordance with Rule 2.33(5) of the Insolvency (Amendment) Rules 2003. There has been no major deviation from the strategy as proposed.

The Company entered administration on 17 December 2015 and Nicholas O'Reilly and Simon Thomas, both Licensed Insolvency Practitioners of Moorfields Advisory Limited (“Moorfields”), 88 Wood Street, London EC2V 7QF were appointed to act as Joint Administrators.

To date, no fees have been drawn in respect of the Administration. Further information regarding fees is given in section 4.

Based on current information it is unclear whether there will be sufficient realisations to enable a distribution to creditors as this will be dependant upon the quantum of future realisations, including the deferred consideration and overdrawn director's loan account. Further information in relation to these matters is provided throughout this report.

Statutory information relating to the Company and the Joint Administrators' appointment is attached at Appendix I.

2. Progress of the Administration

The affairs, business and property of the Company are managed by the Joint Administrators who act as agents of the Company and contract without personal liability.

The Joint Administrators' receipts and payments account for the period 17 December 2015 to 16 June 2016 is attached at Appendix II.

It should be noted that the director has failed to submit a statement of affairs.

I would comment specifically as follows:

2.1 Realisation of Assets

I would comment in respect of the Company's various asset categories as follows:

2.1.1 Leasehold Premises

The Company traded from leased office premises located at Third Floor, 15 Colston Street, Bristol BS1 5AP. The lease documentation has been reviewed and no value was ascribed to it.

2.1.2 Book Debts

As outlined in the Proposals, the Company discounted its book debts via a CID facility, and as a result they are assigned and are the property of Aldermore Bank Plc ("Aldermore"). I am assisting Aldermore in collecting the book debts and detail below a summary of the collections to date in this regard.

Ashton Consulting (UK) Limited	£
Debtor Summary	
Ledger on appointment	673,470.85
Invoices Raised Post Appointment	169,170.96
Credit Notes	(6,210.00)
Collected to Date	(754,663.25)
Newco Receipts	(4,320.00)
Aldermore Ledger Balance	77,448.56
Adjustments to Aldermore	(93,121.74)
Correct Ledger Balance	(15,673.18)

Please note that the receipts were received directly into the CID facility and are therefore not included in the Joint Administrators' receipts and payments account.

The Joint Administrators do not anticipate any further material receipts and the collections exercise is being brought to an end.

Insufficient funds will be recovered from book debts to enable the debt due to Aldermore to be repaid in full.

2.1.3 Goodwill

As part of the sale of the Company's business and assets to Ashton Consulting Group Limited ("ACGL") as detailed in the Proposals, an amount of £70,000 was allocated to the Company's goodwill. To date £17,500 has been received with the remainder deferred and due to be paid as follows:

- £17,500 – 1 October 2016
- £17,500 – 1 April 2017
- £17,500 – 1 July 2017

2.1.4 Licence Fee

As part of the sale to ACGL it was agreed that £9,161.29 plus VAT would be paid to the Company by way of a licence fee for the period which ACGL continued to occupy the Company's leasehold premises. To date £8,000 has been received on

account of this liability and this sum has also been paid to the landlord, Paddywhack Property Limited (in Administration)

In light of initial cash flow problems, the Joint Administrators agreed with ACGL that the sums due in respect of the licence fee and WIP (see below) could be remitted by way of £2,000 weekly instalments commencing at the start of May 2016. Unfortunately only two instalments were received at this time with ACGL citing further cash flow difficulties.

The Joint Administrators then held a formal meeting with Owen O'Neill, a director of the Company, and ACGL on 7 June 2016 to discuss the outstanding sums due. It has been agreed that £1,000 will be paid by way of a weekly contribution until all current liabilities have been extinguished, noting that ACGL is due to pay a second instalment of £17,500 on 1 October 2016 in respect of the Company's goodwill.

2.1.5 Contribution to Costs

An amount of £8,670.73 has been received from Aldermore to cover the costs of the bookkeeping services provided by Safe Outsourcing Limited in respect of the book debts.

2.1.6 Furniture and Equipment

The Company had an amount of office furniture and equipment which was valued by Hilco Valuation Services ("Hilco") at £6,600 in situ and £2,300 on a break up basis. An amount of £4,500 was paid for these items as part of the sale to ACGL.

2.1.7 Business Rates Refund

A rates refund totalling £955.19 was recovered from Bristol City Council in respect of the Company's trading premises.

2.2 Assets Still to be Realised

2.2.1 Goodwill

As detailed above the following deferred consideration is due to be paid over the next 12 months:

- £17,500 – 1 October 2016
- £17,500 – 1 April 2017
- £17,500 – 1 July 2017

2.2.2 WIP

The Company was due to invoice customers for a number of permanent placements in January 2016 and under the terms of the business sale agreement ACGL was obliged to account to the Joint Administrators for 50% of the net invoice value of the WIP once this had been paid by the underlying customers concerned. A total of £12,800 plus VAT remains outstanding in this regard and is being repaid by way of the £1,000 instalments referred to above.

2 2 3 Inter-Company Debt

The sum of £268,166 was included in the Company's management accounts as being due from associated company Paddywhack Property Limited. I am also Joint Administrator of Paddywhack Property Limited and based upon information currently available, there will be no funds available to the unsecured creditors of this company and the inter-company debt is therefore unlikely to be collected.

2 2 4 Director's Loan Account

The Company's management accounts reflected an overdrawn balance of £671,789 in respect of the director's loan account and the Joint Administrators will be taking recovery action in respect of this debt in due course.

At the meeting held between the Joint Administrators and Owen O'Neill on 7 June 2016, it was agreed that a proposal would be put forward by Mr O'Neill with regard to the outstanding loan account and this is expected to be received shortly.

2 3 Sale of Assets to a Connected Party

I would advise you that the following assets were sold to ACGL which is connected to the Company as Owen O'Neill is a director of both companies.

Date of transaction	Asset involved and nature of transaction	Consideration Paid and Date	Sold to	Relationship
23/12/15	Company's business, assets and goodwill	£4,500 – 23/12/15 (received) £17,500 – 08/01/16 (received) £12,800 – due January/February 2016 – to be paid in instalments £17,500 – due 01/10/16 £17,500 – due 01/04/17 £17,500 – due 01/07/17	Ashton Consulting Group Limited	Common Director (Owen O'Neill)

2 4 Joint Administrators' Expenses

The expenses paid by the Joint Administrators in the period of this report are reflected in the receipts and payments account at Appendix II. The following expenses have been incurred by the Joint Administrators' in the period but not paid.

Expenses	Paid as at 16/06/2016	Total expenses outstanding as at 16/06/2016
	£	£
Bond	30 00	0 00
Conference Calls	55 48	0 00
Postage/stationary	0 00	31 74
Employee Expenses	10 26	0 00

Travel	435 60	0 00
Portal	0 00	50 00
	<u>531 34</u>	<u>81 74</u>

The statement excludes any potential tax liabilities that may be payable as an expense of the Administration in due course because amounts due will depend upon the position at the end of the tax accounting period

2.5 Professional Advisers

The Joint Administrators have used the professional advisers listed below

Name of Adviser	Brief description of services provided	Basis of fee arrangement	Costs incurred to date £	Costs paid to date £	Amount unpaid £
Safe Outsourcing Limited	Logging timesheets, processing invoices and providing information to assist with the collection of the book debts	Time costs	9,821 98	9,821 98	Nil
Hilco Valuation Services	Valuation of plant & machinery	Set Fee	1,660 00	1,660 00	Nil
Shoosmiths LLP	Drafting and executing the business sale agreement	Time costs	12,897 00	12,897 00	Nil

The Joint Administrators' choice of advisers was based upon their perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them. The Joint Administrators have reviewed the fees charged and are satisfied that they are reasonable in the circumstances of the case.

3. Pre-Administration Costs

As detailed in the Joint Administrators' Proposals, the pre-appointment time costs incurred by Moorfields totalled £15,635 50. It was agreed with Aldermore that £5,000 00 would be paid towards these time costs, with the remaining time to be written off.

Legal fees in the sum of £6,929 50 were incurred by Shoosmiths LLP for advice in relation to the appointment of the Administrators and for drafting the appointment documents. These fees will be agreed and paid by Aldermore.

4 Joint Administrators' Remuneration

- 4.1 The statutory provisions relating to remuneration are set out in Rule 2.106 of the Rules. Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees', a copy of which may be accessed from the web site of the Insolvency Practitioners Association at www.insolvency-practitioners.org.uk (follow 'Regulation and Guidance' then 'Creditors' Guides to Fees'), or is available in hard copy upon written request to the Joint Administrators' offices.
- 4.2 In accordance with the Proposals, and pursuant to Rule 2.106 of the Rules, the Joint Administrators have written to Aldermore and received approval to the following resolutions:
- That the Joint Administrators' remuneration should be agreed on a time costs basis,
 - That the Joint Administrators be approved to draw expenses and necessary disbursements, and
 - That once the Administration is complete, and the final report issued, the Joint Administrators be discharged from liability.
- 4.3 The Joint Administrators have realised the assets subject to a fixed charge on behalf of the secured creditor and will receive a fee in respect of work undertaken. This fee has not yet been agreed and will be reported in due course.
- 4.4 Attached at Appendix III is a SIP 9 time and cost analysis which provides details of the activity costs incurred by staff grade by reference to time properly spent by the Joint Administrators in managing the Administration in the six months ended 16 June 2016. Time costs for this amount to £134,763.63 which represents 460.81 hours at an average hourly rate of £292.45 per hour. Time costs drawn in the period are nil.
- 4.5 It is the Joint Administrators' policy to delegate the routine administrative tasks to less senior staff in order to maximise the cost effectiveness of the work performed. These staff are supervised by senior staff and the Joint Administrators. Any matter of complexity or significance is dealt with by the senior staff on the team and the Joint Administrators.
- 4.6 Attached at Appendix IV is a schedule detailing activities undertaken together with supporting information in accordance with the Association of Business Recovery Professionals' SIP 9. This also contains additional information in relation to this firm's policy on staffing, disbursements and details of our current charge-out rates by staff grade.
- 4.7 Enclosed at Appendix V is a comparison between the original fee estimate to 16 June 2016 which was provided with the Joint Administrators' Proposals and the actual costs incurred in the 6 months to 16 June 2016.
- 4.8 The Administrators estimated in the Proposals that the total time costs that they would incur in undertaking the tasks detailed in the 6 months to 16 June 2016 would be £51,057.00, representing 138.00 hours at an average hourly rate of £369.98.

- 4 9 The actual time spent in undertaking these tasks in the Administration in the 6 months to 16 June 2016 was 460 81 hours and total time costs were £134,763 63 charged at an average hourly charge out rate of £292 45 Attached at Appendix III is a schedule of activities undertaken, together with supporting information in accordance with SIP 9 Details of the time units used and current charge-out rates are provided in Moorfields’ practice fee recovery sheet, a copy of which is enclosed at Appendix IV
- 4 10 The primary reasons for the variance between the estimated and actual time spent are as follows

Administration and Planning / Case Specific Matters

Time costs incurred in undertaking administration and planning / case specific matters in the 6 months to 16 June 2016 amounted to £39,266 50 compared to the original estimate of £20,266 50

There were numerous unforeseen complications on initial set up including difficulty and delays in obtaining the books and records, dealing with the third party bookkeepers and the Company’s IT cloud system and additional reporting in light of the sale to ACGL

Investigations

Time costs incurred in undertaking investigations in the 6 months to 16 June 2016 amounted to £20,960 13 compared to the estimate of £3,279 00

During the course of their standard investigations, the Administrators identified certain transactions within the Company’s records which indicated that funds may have been diverted from the Company for purposes other than those which would have promoted the business

As a result of their initial findings, the Administrators undertook further investigations to establish the full nature of the transactions

This included an interview with the Company’s director, a more detailed interrogation of the Company’s accounting records and extensive correspondence with the Company’s accountant

The reason this additional work was undertaken was that it was considered that it may lead to further recoveries being made in the Administration for the benefit of the creditors

Realisation of Assets

Time costs incurred in dealing with realisation of assets in the 6 months to 16 June 2016 amounted to £54,580 50 compared to the estimate of £25,371 50

The Company’s main asset was the book debt ledger which was subject to the CID facility Time was incurred initially reconciling the ledger, liaising with the third party

bookkeeper and collating invoices. There was also considerable time spent pursuing the various debts and liaising with the various customer credit controllers. It should be noted that the Joint Administrators have collected over 100% of the ledger.

The sale of the business and assets to ACGL also incurred more time than was expected due to the complexity of the transaction. Unfortunately additional time has also been incurred endeavouring to collect the outstanding deferred consideration including emails, meetings and numerous telephone calls.

Creditors

Time costs incurred in dealing with creditors in the 6 months to 16 June 2016 amounted to £19,604.00 compared to the estimate of £2,140.00.

There was no initial creditors meeting called as it is anticipated that there would be insufficient funds available to enable a distribution to unsecured creditors, however creditors requested a conference call to discuss matters. In addition there has been considerable dialogue from creditors, especially former contractors.

Regular and frequent reports were completed for the benefit of the secured creditor to ensure that it was fully informed in respect of the book debt recovery exercise so that it could reconcile its internal records.

4.11 Total Fee Estimate

The Administrators now estimate that in the 6 months from 17 June 2016 to 16 December 2016 they will incur further time costs of £46,719.87 and the total time costs that they will incur in the Administration will be £181,483.50. Enclosed at Appendix V is a revised fee estimate summary for information purposes.

As detailed earlier in the report the Joint Administrators are continuing to pursue ACGL for the outstanding WIP and will be monitoring receipt of the Goodwill in due course.

The Company's management accounts reflected an overdrawn director's loan account balance of £671,789 in respect of the director's loan account and the Joint Administrators will be taking recovery action in respect of this debt in due course.

In addition, the Joint Administrators will continue to deal with creditors' questions and queries as well as all statutory requirements.

5 Joint Administrators' Disbursements

In accordance with SIP 9, where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories:

5.1 Category 1 Disbursements

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling, postage, photocopying (if external provider), statutory advertising and other expenses made on behalf of the assignment

Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No. 9, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

The Joint Administrators' have incurred disbursements of £531.34 during the period and these disbursements have been drawn and are shown on the receipts and payments account at Appendix II. Disbursements incurred in the period but not yet drawn are detailed in section 2.4.

5.2 Category 2 Disbursements

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Moorfields for the provision of services which include an element of recharged overhead, for example, room hire or document storage. Statement of Insolvency Practice No. 9 provides that such disbursements are subject to approval as if they were remuneration. It is our policy, in line with the Statement, to advise of any Category 2 disbursements before they are drawn.

The Administrators will seek approval from the secured creditors to draw category 2 disbursements. No category 2 disbursements have been drawn in this period.

6 Prescribed Part

- 6.1 Under the provisions of Section 176A of the Insolvency Act 1986 the Administrators must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where a company has granted a floating charge to a creditor after 15 September 2003.

The Company granted a floating charge to Aldermore on 5 June 2014 and the prescribed part provisions will apply. The Administrators' present estimate of the financial position of the Company shows that the net property of the Company, taking into account the costs of the Administration, is nil, therefore there will be no funds available for a prescribed part distribution. The prescribed part calculation will be revisited in the event that further realisations arise as detailed above.

- 6.2 Please note that the net property and prescribed part calculation can only be estimated at this stage. The value of any prescribed part may be subject to change once creditor claims and the Joint Administrators' costs and expenses have been finalised.

7 Estimated Outcome for Creditors

7.1 Secured Creditors

Aldermore holds fixed and floating charges over the Company's assets. At the date of the Administration the indebtedness was estimated at £932,956 and has now been agreed at £1,116,671.

As detailed above at paragraph 2.1.2, book debt collections to date total £754,663 and this sum has been remitted directly to Aldermore in line with its CID facility.

7.2 Preferential Creditors

All of the Company's employees were transferred to ACGL under the TUPE regulations thereby avoiding any preferential claims crystallising against the Company.

7.3 Unsecured Creditors

The Joint Administrators have received claims totalling £577,316 from 40 creditors.

No defined clarification of creditors' claims has been undertaken. Based on current information, and in accordance with information available at the time of the Joint Administrators' Proposals, the Joint Administrators do not anticipate there being sufficient funds to enable a distribution to be paid to the unsecured creditors of the Company by virtue of the prescribed part or otherwise.

8 Investigations

In accordance with the Company Directors Disqualification Act 1986 I would confirm that I have submitted a report on the conduct of the director of the Company to the Department for Business Innovation & Skills. As this is a confidential report, I am not able to disclose the contents.

To complete this report, a review of the Company's financial accounts, bank statements and directors' questionnaires was undertaken regarding the period leading up to the Administration to ascertain whether or not there had been any misconduct by the director in the form of any preference payments, transactions at an undervalue or wrongful trading.

If creditors wish to bring any matters they believe to be relevant to the attention of the Joint Administrators, they are invited to do so in writing to Nicholas O'Reilly and Simon Thomas at Moorfields, 88 Wood Street, London EC2V 7QF.

9 Exit from Administration

9.1 As outlined in the initial report to creditors it is the Joint Administrators' intention to exit the Administration into dissolution, but this is dependent on the level of realisations from the outstanding assets.

- 9 2 The Joint Administrators will seek to be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect

10 Creditors' Rights

- 10 1 Within 21 Days of the receipt of this report, a secured creditor, or an unsecured creditor, with concurrence of at least 5% in value of the unsecured creditors, may request in writing that the Joint Administrators provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report
- 10 2 Any secured creditor, or an unsecured creditor, with the concurrence of at least 10% in value of the unsecured creditors, may within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the Joint Administrators' remuneration, the remuneration charged or the expenses incurred by the Joint Administrators as set out in the progress report are excessive (Rule 2 109)

If you have any queries regarding this report please contact Martyn Ewing of this office in the first instance I will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner

For and on behalf of
Ashton Consulting (UK) Limited



N H O'Reilly
Joint Administrator

DDI 0207 186 1156
Fax 0207 186 1177
Email mewing@moorfieldscr.com

Nicholas O'Reilly and Simon Thomas of Moorfields, 88 Wood Street, London, EC2V 7QF were appointed Joint Administrators on 17 December 2015 The Administrators now manage the affairs, business and property of the Company The Joint Administrators act as agents only and without personal liability

**Ashton Consulting (UK) Limited – In Administration
Statutory Information**

Company Information

Company Number	04636928
Registered Office	c/o Moorfields, 88 Wood Street, London EC2V 7QF
Trading Address/Former Registered Office	3rd Floor, 15 Colston Street, Bristol BS1 5AP
Principal Activity	Temporary employment agency activities

Appointment details

Joint Administrators	Nicholas O'Reilly and Simon Thomas (IP numbers 8309 & 8920)
Joint Administrators' address	Moorfields, 88 Wood Street, London EC2V 7QF
Date of appointment	17 December 2015
Court	High Court of Justice
Court Reference	3279/2015
Appointed by	Aldermore Bank Plc
Functions	Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Joint Administrators acting jointly or alone
EC Regulations	The Company's registered office is from where the Company carries on its business. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom and as such these proceedings will be the main proceedings as defined in article 3 of the EC regulation

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(In Administration)
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Fixed Ch Vat Receivable		4,307 19
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Ashton Consulting (UK) Limited - In Administration

Joint Administrators' time costs for the period 17 December 2015 to 16 June 2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
10 Case Planning	3.25	0.75	5.00	0.10	9.10	3,431.00	377.03
11 Administrative Set Up	0.00	0.00	4.00	0.00	4.00	845.00	211.25
12 Appointment Notification	1.50	0.00	7.20	0.00	8.70	2,703.00	310.69
13 Maintenance of Records	0.00	0.00	9.70	0.00	9.70	2,326.50	239.85
14 Statutory Reporting	1.00	6.00	16.10	0.00	23.10	7,120.50	308.25
15 Case Monitoring	0.00	8.25	15.30	0.00	23.55	7,396.50	314.08
17 General Administration	0.00	7.25	7.21	0.00	14.46	4,368.00	302.07
18 Cashiering	0.10	0.25	5.30	8.00	13.65	2,793.00	204.62
19 Partner Review	13.25	0.00	0.00	0.00	13.25	6,932.50	523.21
2 Pre Appointment Work	0.00	0.00	0.00	0.80	0.80	156.00	195.00
70 Post appoint VAT and CT returns	0.00	0.00	0.80	0.00	0.80	200.00	250.00
Admin & Planning	19.10	22.50	70.81	8.90	121.11	38,272.00	316.01
71 Other Assets	1.50	0.00	4.00	0.00	5.50	1,887.00	343.09
77 Managing Agent	0.00	0.00	0.60	0.00	0.60	168.00	280.00
30 Freehold / Leasehold Property	0.00	0.00	1.70	0.00	1.70	430.50	253.24
31 Plant and Machinery	0.00	0.00	1.00	0.00	1.00	273.00	273.00
33 Assets on Finance	0.00	0.00	1.00	0.00	1.00	246.00	246.00
34 Debtors	0.00	9.10	101.60	0.00	110.70	31,450.50	284.11
35 Sale of Business	0.00	13.50	20.70	0.00	34.20	11,254.50	329.08
36 Identifying Securing Insuring	0.00	0.00	2.20	0.00	2.20	552.50	251.14
38 Asset related legal matters	0.00	18.00	0.00	0.00	18.00	7,712.50	428.47
Asset Realisation	1.50	40.60	132.80	0.00	174.90	53,973.50	308.60
60 Case Specific	1.50	0.00	0.00	0.00	1.50	795.00	530.00
72 Legal Matters	0.00	0.00	2.20	0.00	2.20	552.00	250.91
Case Specific Matters	1.50	0.00	2.20	0.00	3.70	1,347.00	364.05
75 s120 pension reporting	0.00	0.00	0.60	0.00	0.60	147.00	245.00
50 Creditor Correspondence	0.00	0.50	38.90	0.00	39.40	10,102.00	256.40
51 Unsecured creditor claims	1.00	0.00	2.40	0.00	3.40	1,185.00	348.53
52 Secured creditor claims/Reporting	2.00	4.75	8.20	0.00	14.95	5,288.50	353.75
57 Employee creditor claims	0.00	0.00	2.50	0.00	2.50	671.00	268.40
59 Creditors meetings	0.00	1.50	0.60	0.00	2.10	828.00	394.29
63 Secured creditor reports	0.00	2.25	1.50	0.00	3.75	1,382.50	368.67
Creditors	3.00	9.00	54.70	0.00	66.70	19,604.00	293.91
65 Director's Correspondence	0.00	0.00	6.80	0.00	6.80	1,718.00	252.65
20 SIP2 Review	0.00	0.25	8.40	0.00	8.65	2,250.50	260.17
21 CDDA Reports	0.00	1.00	2.60	0.00	3.60	1,113.00	308.17
22 Antecedent Transactions	0.00	5.55	67.41	0.00	72.95	15,878.63	217.65
Investigations	0.00	6.80	85.20	0.00	92.00	20,960.13	227.82
42 On going employee issues	0.00	0.00	1.00	0.00	1.00	255.00	255.00
43 Planning Trading	0.00	0.00	0.40	0.00	0.40	102.00	255.00
Trading	0.00	0.00	2.40	0.00	2.40	607.00	252.92
Total Hours	25.10	78.90	347.91	8.90	460.81	134,763.63	292.45
Total Fees Claimed							0.00

Ashton Consulting (UK) Limited – In Administration

1. Explanation of office-holders charging and disbursement recovery policies

In accordance with best practice we provide below details of policies of Moorfields, in respect of fees and disbursements for work in relation to insolvency estates

This summary outlines the activities undertaken during this matter to date together with details of charge out rates for time costs incurred and the basis of disbursements incurred and recharged

The activities are summarised as follows

1 1 Administration and planning

The following activities 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 of case files,
- Reviewing available information to determine the appropriate strategy,
- Setting up and maintaining bank accounts,
- Implementing the strategy for the Administration,
- 6 monthly progress review of the case, and
- Completion of statutory returns to the Insolvency Compliance Unit of the Department for Business Innovation and Skills

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

1 2 Realisation of assets

Appendix II shows the realisations made for the benefit of the creditors. In this case the assets belonging to the Company were as follows

- Leasehold Property,
- Furniture and Equipment,
- Book Debts,
- Cash at Bank,
- Intercompany Debts,
- Sundry Refunds,
- Director's Loan Account, and
- Goodwill/Licence fee and sale of the business

The time spent includes the following matters

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- Considerable time was incurred dealing with the sale of the business and assets including marketing, liaising with potentially interested parties and dealing with the actual sale
- Time has been incurred collecting the Company's book debts as debtor positions needed to be reconciled, invoices raised and debtors actively pursued
- There has been significant correspondence with Owen O'Neill in regard to the outstanding sums due from AGL and Mr O'Neill in a personal capacity

1.3 Creditors

The time spent includes the following matters

- Recording and maintaining the list of creditors,
- Dealing with employee related matters,
- Recording creditor claims,
- Dealing with specific creditor calls and correspondence,
- Reporting to creditors,
- Holding a conference call with creditors, and
- Dealing with creditor queries

1.4 Investigations and communications

The time spent includes the following matters

- Corresponding with the Company director for purposes of the conduct report,
- Issuing questionnaires and requests for a Statement of Affairs,
- Reviewing Company records and questionnaires and preparing the statutory return in accordance with the requirements of the Department for Business Innovation and Skills

2.0 Time recording

The Partners will engage managers and other staff to work on the insolvent estate and statutory compliance diaries. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the estate's bank accounts. Work carried out by all staff is subject to the overall supervision of the Partners.

All time spent by staff working directly on case related matters is charged to a time code established for the case. Each member of staff has a specific hourly rate, which is subject to change over time.

The current charge out rates per hour of staff within the firm who may be involved in working on the insolvency follows, this in no way implies that staff at all such grades will work on the case.

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GRADE	£
Partner	530
Director/ Senior Manager	450
Manager	355
Assistant Manager	300
Senior Administrator	255
Administrator	225
Cashier/ Support	195

The rates charged by Moorfields are reviewed periodically in January & July each year and are adjusted to take account of inflation and the firm's overheads

Our rates increased on 1 January 2016 The charge out rates per hour for the period from 1 January 2015 to 31 December 2015 were

GRADE	£
Partner	515
Director/ Senior Manager	425
Manager	355
Assistant Manager	280
Senior Administrator	245
Administrator	195-225
Cashier/ Support	195

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time in units of 6 minutes

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate

Where remuneration has been approved on a time cost basis the time invoiced will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors, the report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by the fee request

Approved remuneration will be drawn at such times that sufficient funds are available

For your information, A Creditor's Guide to Administrators' Fees can be obtained at <http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-to-administrators-fees-england-and-wales-apr-10.pdf>

3.0 Disbursement recovery

Category 1 Disbursements

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling, postage, photocopying if external provider, statutory advertising and other expenses made on behalf of the assignment

Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No 9, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

Category 2 Disbursements

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Moorfields for the provision of services which include an element of recharged overhead, for example, room hire or document storage. Statement of Insolvency Practice No 9 provides that such disbursements are subject to approval as if they were remuneration. It is our policy, in line with the Statement, to seek approval for Category 2 disbursements before they are drawn.

The following Category 2 disbursements may be charged by this firm

- Stationery and postage charge for sending out circulars – 5 pence per sheet plus postage at cost
- A set-up charge of £50 per case for online creditor reporting where applicable
- Mileage allowances are paid at HM Revenue & Customs approved rates. For personnel using their own vehicles, these are currently 45 pence per mile for the first 10,000 miles and 25 pence per mile thereafter
- A charge of £10 for identification searches per director to comply with Money Laundering Regulations

It should be noted that disbursements costs might increase from time to time, however, increases would only be in line with inflation or increases from our supplier.

ASHTON CONSULTING (UK) LIMITED - IN ADMINISTRATION
COMPARISON OF ORIGINAL FEE ESTIMATE FOR THE PERIOD 17 DECEMBER 2015 TO 16 JUNE 2016 AND ACTUAL COSTS INCURRED

	Original Fee Estimate for 6 months to 16 June 2016			Actual costs incurred in 6 months to 16 June 2016		
	Hours	Time Costs (£)	Blended Rate (£)	Hours	Time Costs (£)	Blended Rate (£)
Administration and Planning / Case Specific Matters	38 70	20,266 50	295 00	124 81	39,619 00	317 43
Investigations	11 40	3,279 00	287 63	92 00	20,960 13	227 82
Realisation of Assets / Trading	79 90	25,371 50	317 54	177 30	54,580 50	307 84
Creditors	8 00	2,140 00	267 50	66 70	19,604 00	293 91
Totals	138 00	51,057 00	369 98	460 81	134,763 63	292 45

					Appendix V
	FEES ESTIMATE SUMMARY FOR TWELVE MONTHS ENDING 16 December 2016				
	Case name Ashton Consulting (UK) Limited - In Administration				
	The hourly charge out rates that will be used on this case are:				
		£			
	Partner – appointment taker	530 00			
	Senior Manager	450 00			
	Manager	355 00			
	Assistant Manager	300 00			
	Case Administrator	255 00			
	Cashier	195-225			
	Support staff	195 00			
	ADMINISTRATION				
	Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £	
	Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case	13 00	4,370 00		
	Setting up physical/electronic case files (as applicable)	5 50	1,440 00		
	Setting up the case on the practice's electronic case management system and entering data	2 20	600 00		
	Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment and Proposals (as applicable)	16 70	5,143 50		
	Obtaining a specific penalty bond	0 90	256 50		
	Convening and holding general meetings of creditors and members (as applicable)	5 50	1,792 50		

	Dealing with all routine correspondence and emails relating to the case	23 00	7,390 00	
	Opening, maintaining and managing the office holder's estate bank account (delete if not applicable)	2 00	577 50	
	Creating, maintaining and managing the office holder's cashbook	5 50	1,440 00	
	Undertaking regular bank reconciliations of the bank account containing estate funds	2 00	547 50	
	Reviewing the adequacy of the specific penalty bond on a quarterly basis	0 70	217 50	
	Undertaking periodic reviews of the progress of the case	10 00	3,215 00	
	Overseeing and controlling the work done on the case by case administrators	22 00	11,020 00	
	Preparing, reviewing and issuing annual progress reports to creditors and members (as applicable)	17 00	4,725 00	
	Filing returns at Companies House and/or Court (as applicable)	1 50	480 00	
	Preparing and filing VAT returns (delete if not applicable)	2 50	735 00	
	Preparing and filing Corporation Tax returns (delete if not applicable)	1 50	480 00	
	Seeking closure clearance from HMRC and other relevant parties	1 50	480 00	
	Preparing, reviewing and issuing final reports to creditors and members (as applicable)	7 50	2,245 00	
	Convening and holding final meeting meetings of creditors and members (as applicable) (delete in Administrations)	-	-	
	Filing final returns at Companies House and/or Court (as applicable)	3 00	960 00	
	Total:	143 50	£48,115 00	£335 30
	The blended rate in respect of this category is higher than the average blended rate for the case as a whole due to the involvement of more senior staff with the work in this category			
	INVESTIGATIONS			
	Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £

	Recovering the books and records for the case	2 00	607 50	
	Listing the books and records recovered	1 00	255 00	
	Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act (delete if not applicable)	5 00	1,510 00	
	Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc	43 00	14,300 00	
	Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors	69 00	21,125 00	
	Total:	120 00	£37,797 50	£314 98
	The blended rate in respect of this category is higher than the average blended rate for the case as a whole due to the involvement of more senior staff with the work in this category			
	REALISATION OF ASSETS			
	Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
	Arranging suitable insurance over assets	1 00	255 00	
	Regularly monitoring the suitability and appropriateness of the insurance cover in place	0 50	127 50	
	Corresponding with debtors and attempting to collect outstanding book debts	135 00	37,350 00	
	Liaising with the bank regarding the closure of the account	1 20	345 00	
	Instructing agents to value known assets	3 50	1,087 50	
	Liaising with agents to realise known assets	6 00	1,920 00	
	Instructing solicitors to assist in the realisation of assets	6 70	2,056 00	

	Registering a caution in respect of freehold property owned by the debtor/company (where applicable)	-	-	
	Obtaining details from mortgagees about debts secured over the debtor's/company's freehold/leasehold property (where applicable)	1 50	480 00	
	Determining the joint owner's/spouse's interest in the freehold/leasehold matrimonial home (delete if not applicable)	1 50	480 00	
	Instructing solicitors to assist in the realisation of the freehold/leasehold property (where applicable)	-	-	
	Liaising with the secured creditors over the realisation of the assets subject to a mortgagee or other charge	9 50	3,185 00	
	Marketing assets for sale and dealing with interested parties	11 00	3,235 00	
	Dealing with sale formalities inc legal and purchaser (and debenture)	42 00	14,105 00	
	SIP16 report	8 30	2,784 00	
	Total:	227 70	£67,410 00	£296 05
	The blended rate in respect of this category is lower than the average blended rate for the case as a whole due to the involvement of less senior staff with the work in this category			
	TRADING			
	Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
	Obtaining appropriate information about the business and preparing a business plan and cash flow forecasts	6 00	2,292 50	
	Arranging suitable insurance for the business	0 50	127 50	
	Setting up suitable systems and controls in respect of purchases and sales for the business	0 50	127 50	
	Liaising with staff and trade unions	-	-	
	Setting up a new RTI registration for the business with HMRC and submitting relevant information in respect of wages and salaries paid	-	-	

	Monitoring and controlling the day to day trading of the business	1 50	480 00	
	Monitoring compliance with Health and Safety obligations in respect of the business	0 20	51 00	
	Total:	8 70	£3,078 50	£353 85
	The blended rate in respect of this category is higher than the average blended rate for the case as a whole due to the involvement of more senior staff with the work in this category			
	CREDITORS			
	Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
	Obtaining information from the case records about employee claims	0 50	127 50	
	Completing documentation for submission to the Redundancy Payments Office	-	-	
	Corresponding with employees regarding their claims	3 00	862 50	
	Liaising with the Redundancy Payments Office regarding employee claims	0 50	127 50	
	Dealing with creditor correspondence, emails and telephone conversations regarding their claims	46 50	12,970 00	
	Maintaining up to date creditor information on the case management system	4 50	1,245 00	
	Issuing a notice of intended dividend and placing an appropriate gazette notice	-	-	
	Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend	-	-	
	Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims	-	-	
	Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend	-	-	
	Secured creditor reports	23 50	7,575 00	

[illegible]

The Insolvency Act 1986

Administrator's progress report

Name of Company

Ashton Consulting (UK) Limited

Company number

04636928

In the
High Court of Justice

(full name of court)

Court case number
3279 of 2015(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Nicholas O'Reilly
Moorfields
88 Wood Street
London
EC2V 7QFSimon Thomas
Moorfields
88 Wood Street
London
EC2V 7QF

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

From

To

(b) Insert date

(b) 17 December 2015

(b) 16 June 2016

Signed

Joint Administrator(s)

Dated

16/06/16