

The Insolvency Act 1986

**Administrator's progress report****2.24B**

Name of Company Art Founders Limited	Company number 04646021
In the The High Court of Justice, Chancery Division, Companies Court, London (full name of court)	For court use only  3706 of 2010

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

We (a) Matthew Peter Bond and Jason James Godefroy of MCR, 43-45 Portman Square, London, W1H 6LY

Joint Administrators of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 14 May 2010

(b) 13 November 2010

Signed

Joint Administrator

Dated

9th December 2010

**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 searches of the public record.

MCR  
43-45 Portman Square  
London  
W1H 6LY  
  
Tel 020 7487 7240

FRIDAY



A46

\*A37Z7PT8\*

10/12/2010

83

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

**Art Founders Limited  
(In Administration)**

**The Joint Administrators' Progress Report to Creditors  
for the period from 14 May 2010 to 13 November 2010  
pursuant to Rule 2.47(1) of the  
Insolvency Rules 1986 (as amended)**

**9 December 2010**

**Names of Joint Administrators:** Matthew Peter Bond  
Jason James Godefroy

**Date of appointment:** 14 May 2010

**Date of report:** 9 December 2010

**Appointed by:** The Director

**Court reference:** High Court of Justice, Chancery Division, Companies  
Court Number 3706 of 2010

**MCR**  
**43-45 Portman Square**  
**London**  
**W1H 6LY**

## DEFINITIONS

Art Founders Limited	the Company / AFL
Matt Bond and Jason Godefroy	the Joint Administrators
Insolvency Act 1986	the Act
Insolvency Rules 1986 Insolvency (Amendment) Rules 2010	the Rules
Joint Administrators' Proposals	the Proposals
Hilco Appraisal Limited	Hilco
Aztec BA Foundry	Aztec
Finch Seaman Enfield Group Limited	FSEG
MCR Receivables Management Limited	MCR RM
Department of Business, Innovation and Skills	DBIS
Lloyds TSB Bank Plc	Lloyds
HSBC Bank Plc	HSBC
National Westminster Bank Plc	NatWest
Creditors' Voluntary Liquidation	CVL
Redundancy Payments Office	RPO
Statement of Affairs	SofA
Statement of Insolvency Practice 9	SIP 9
EC Regulation on Insolvency Proceedings 2000	EC Regulation
Registrar of Companies	the Registrar

## **CONTENTS**

1. Introduction
- 2 Joint Administrators' Statement of Proposals
- 3 Progress of the Administration
4. Statement of Pre-Administration Costs
- 5 Joint Administrators' Costs and Expenses
6. Dividend prospects / Prescribed Part
- 7 Statement of Affairs
8. Creditors' meeting
- 9 EC Regulation
- 10 Conclusion and ending the Administration
11. Other Matters

## **APPENDICES**

1. Statutory information
2. Joint Administrators' Proposals
3. Joint Administrators' Receipts and Payments account
- 4 Schedule of Joint Administrators' time costs
5. Statement of Affairs

## **1. INTRODUCTION**

- 1.1 Matthew Peter Bond and Jason James Godefroy of MCR were appointed Joint Administrators of AFL on 14 May 2010 by the director of the Company pursuant to Paragraph 22 of Schedule B1 to the Act
- 1.2 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators are being exercised by either of the Administrators.
- 1.3 The purpose of this report is to provide creditors with details of the progress of the Administration, in accordance with Rule 24(1) of the Rules for the six month period to 13 November 2010
- 1.4 This report should be read in conjunction with the Joint Administrators' report to creditors dated 29 June 2010

## **2. JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS**

- 2.1 The Joint Administrators issued their Report to Creditors together with their Statement of Proposals on 29 June 2010.
- 2.2 In accordance with Paragraph 52(1) of Schedule B1 to the Act, a creditors' meeting was not convened as the Joint Administrators believed that the Company would have insufficient property to enable a distribution to be made to unsecured creditors.
- 2.3 As advised in the Proposals, the Joint Administrators must perform their functions with the purpose of achieving one of the following hierarchical objectives:
  - Rescuing the Company as a going concern; or
  - Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
  - Realising property in order to make a distribution to one or more secured or preferential creditors
- 2.4 A copy of the Joint Administrators' Proposals is attached at Appendix 2.

## **3. PROGRESS OF THE ADMINISTRATION**

- 3.1 The manner in which the affairs and business of the Company have been managed since the appointment of the Joint Administrators, and will continue to be managed and financed, are set out below
- 3.2 As previously advised, a going concern sale of the business and assets of the Company was not achievable, and as a result, the Joint Administrators sold the Company's assets on a piecemeal basis.

### **Trade name - Morris Singer**

- 3 3 As previously advised, the Company purchased the 'Morris Singer' trade name in 2005. The trade name was established over 150 years ago and is a recognised brand within the art foundry industry.
- 3 4 Two offers for the trade name were received and the Joint Administrators accepted the highest offer, having consulted with their valuation agents, Hilco
- 3 5 As a result, the Joint Administrators sold the trade name to Aztec for £4,000 plus VAT on 23 August 2010. To date, sales consideration of £2,700 has been received. The Joint Administrators are continuing to pursue Aztec for the remaining sales consideration and it is anticipated that the balance will be paid shortly.

### **Plant and machinery, Stock and Chattel assets**

- 3 6 As previously reported, the Joint Administrators instructed Hilco to dispose of the Company's plant and machinery, stock and chattel assets which were located at the Company's premises in Braintree. Hilco valued the plant and machinery at £40,000 in-situ and £20,000 ex-situ.
- 3 7 Due to various third party claims and the functional location of the plant and machinery, the highest offer for the plant and machinery, stock and chattel assets was £10,500 plus VAT. The Joint Administrators' agents recommended that this offer be accepted and as a result, the Joint Administrators sold the plant and machinery, together with the stock and chattel assets to FSEG on 6 July 2010 for £10,500 plus VAT.
- 3.8 The full sales consideration of £10,500 plus VAT has been received and there will be no further realisations from this source.

### **Book debts**

- 3.9 As previously advised, the Joint Administrators instructed MCR RM to collect the Company's outstanding book debts.
- 3.10 At the date of appointment the Company's book debt ledger showed a value of £50,886. However, a review of the book debt ledger showed that £42,654 of the debtors were settled prior to the Joint Administrators' appointment. As a result, the actual outstanding book debts as at the Joint Administrators' appointment totalled £8,232.
- 3.11 The final book debt collections total £3,949 and the outstanding balance of £4,283 has been deemed uncollectable due to various disputes.

### **Other assets**

- 3.12 Bank interest of £1 12 has been received.
- 3.13 There are no further assets to be realised.

### **Investigations**

- 3 14 The Joint Administrators have a statutory obligation to file a report with the DBIS regarding the conduct of all directors of the Company that held office in the three years prior to the Administration. This report must be filed within six months from the appointment date and the content of this report is confidential.

3 15 The Joint Administrators also have the power to investigate antecedent transactions which include

- Transactions at an undervalue in accordance with s238 of the Act;
- Preferences in accordance with s239 of the Act, and,
- Transactions defrauding creditors in accordance with s423 of the Act.

3 16 This report was submitted to the DBIS on 3 November 2010.

#### **Receipts and Payments Account**

3.17 A detailed receipts and payments account for the period 14 May 2010 to 13 November 2010 is shown in Appendix 2 and is self explanatory.

#### **Joint Administrators' Agents and Solicitors**

3.18 The Joint Administrators engaged the following firms to assist with the sale of the business and assets of the Company and other matters:

<b>Company</b>	<b>Role</b>
Hilco	Valuation agents – Value trade name, plant and machinery, stock and chattel assets.
Osborne Clarke	Solicitors – Assist with placing the Company into Administration and other ad hoc legal matters.
Menzies LLP	Accountants – Employee claims and tax advice

3 19 The Joint Administrators' choice was based on the perception of the experience and ability to perform their work, the complexity and nature of the assignment and the basis of our fee arrangement with them. Further details with regard to their fees can be found in section 5 overleaf.

#### **4. STATEMENT OF PRE-ADMINISTRATION COSTS**

4 1 As previously advised, MCR provided advisory services to the Company, prior to the appointment of the Joint Administrators, on a fixed fee basis, subject to a formal letter of engagement dated 21 April 2010.

4.2 The work was carried out in an attempt to rescue the business as a going concern. After an extensive marketing exercise this was unfortunately unsuccessful. However, had a going concern sale been achieved, the Company's employees would have been transferred to the purchaser, eliminating any preferential claims against the Company and thereby reducing the general body of creditors as a whole.

4 3 MCR incurred £34,290 in time costs prior to the Joint Administrators' appointment. Of this, £5,000 was originally invoiced to the Company, however this invoice was unpaid and as a result, the time costs will be written off in full.



## 5. JOINT ADMINISTRATORS' COSTS AND EXPENSES

- 5.1 In accordance with Rule 2.106(5A) of the Rules, the basis of the Joint Administrators' remuneration was approved by the only secured creditor, Lloyds. The Joint Administrators' remuneration is fixed by reference to the time properly given by them and their staff.
- 5.2 The time costs incurred in the period to 9 December 2010 total £92,768 and are analysed at Appendix 4.
- 5.3 To date £5,332 has been drawn.
- 5.4 The Joint Administrators will not recover their time costs in full in this matter and therefore the outstanding time costs will be written off.
- 5.5 Information regarding the fees of the Joint Administrators in accordance with SIP 9, called a Creditors' guide to Administrators' fees, can be found on our website at [www.mcr-uk.com](http://www.mcr-uk.com). Should you require a paper copy, please contact this office.
- 5.6 The Joint Administrators have incurred the following expenses in dealing with the Administration of the Company:

Company	Role	Amount Incurred to date	Received Payment
Hilco	Valuation agents – Value plant and machinery, stock and chattel assets	Uncertain (but substantially in excess of £2,302)	£2,302
Osborne Clarke LLP	Solicitors – Assist with placing the Company into Administration and other ad hoc legal matters	£5,470	£2,500
Menzies LLP	Accountants – Payroll and tax advice.	£975	£975
Spreckley Partners Limited	Press release and media	£810	£810
Total Data Management	Collection and storing of the Company's books and records	£1,987	£1,987
Jardine Lloyd Thompson Limited	Asset insurers	£595	£595
MCR RM	Book debt collections	£147	£147

- 5.7 As can be seen from the table above, the majority of the agents have incurred costs greater than payments received as a result of the limited realisations in the Administration. The agents will be writing off any outstanding balance due to them.
- 5.8 Any secured creditor, or any unsecured creditor (with the support of at least 10% in value of the creditors) or the permission of the Court, may apply to the Court on the grounds that the remuneration or basis fixed for the Joint Administrators' remuneration or the expenses incurred by the Joint Administrators are considered to be excessive. This application must be made no later than eight weeks after receipt of the Joint Administrators' final report to creditors, where the charging of the remuneration or the incurring of expenses in question has occurred.

## **6. DIVIDEND PROSPECTS / PRESCRIBED PART**

### **Secured Creditors**

#### Lloyds TSB Bank Plc ("Lloyds")

- 6.1 In consideration for the monies advanced, the Company granted Lloyds a mortgage debenture which conferred fixed and floating charges over all of the assets of the Company registered at 2 June 2009
- 6.2 At the date of the Joint Administrators' appointment, the Company's indebtedness to Lloyds was approximately £175,000 subject to accruing interest and charges.
- 6.3 There will be insufficient asset realisations to enable a distribution to Lloyds

#### HBSC Bank Plc ("HSBC")

- 6.4 In consideration for the monies advanced, the Company granted HSBC a mortgage debenture which conferred fixed and floating charges over all of the assets of the Company registered at 24 June 2004
- 6.5 The Joint Administrators understand that HSBC were repaid in full prior to their appointment and as a result, Form MG02 was subsequently filed with the Registrar of Companies. The charge is no longer shown as outstanding at Companies House.

#### National Westminster Bank Plc ("NatWest")

- 6.6 In consideration for the monies advanced, the Company granted NatWest a mortgage debenture which conferred fixed and floating charges over all of the assets of the Company registered at 17 December 2003.
- 6.7 The Joint Administrators understand that NatWest were repaid in full prior to their appointment and as a result, Form MG02 was subsequently filed with the Registrar of Companies. The charge is no longer shown as outstanding at Companies House

### **Preferential Creditors**

- 6.8 The Joint Administrators have received a preferential claim of £14,310.93 from the RPO.
- 6.9 There will be insufficient realisations to enable a distribution to the preferential creditors

### **Prescribed Part**

- 6.10 There will be insufficient realisations to enable a distribution to be made via the prescribed part.

### **Non Preferential Creditors**

- 6 11 There will be insufficient realisations to enable a distribution to the non-preferential creditors. Any outstanding funds owed to non-preferential creditors should be written off, if you have not already done so. In addition, creditors registered for VAT may be able to claim VAT bad debt relief from HM Revenue & Customs in accordance with s36 of the Value Added Tax Act 1994. Relief is available when the debt is six months old and "written off" by the creditor. Insolvency practitioners have no role in administering VAT bad debt relief. If you are uncertain how to claim you should seek your own professional advice or contact your local VAT office.

## **7. STATEMENT OF AFFAIRS**

- 7.1 In accordance with Paragraph 47 of Schedule B1 to the Act the Joint Administrators requested that the director provide them with a SofA of the Company.
- 7.2 The SofA is attached at Appendix 5 and having reviewed the SofA, the Joint Administrators do not believe that the SofA is a fair representation of the Company's financial position as at 14 May 2010.
- 7.3 In particular the Joint Administrators believe that the estimated to realise values are significantly overstated and were not capable of being achieved for the following reasons: the value of the goodwill diminished when the Company ceased to trade, a large portion of the stock had been used pre-appointment, the majority of work-in-progress had a negative position at the date of the Joint Administrators' appointment and the majority of trade debtors had settled their debt pre-appointment (a reconciliation had not been prepared between the receivables ledger and the Company's bank account).

## **8. CREDITORS' MEETING**

- 8 1 In accordance with Paragraph 52(1)(b) of Schedule B1 to the Act, a creditors' meeting was not convened as it was anticipated that there would be insufficient realisations to enable a distribution to be made to non-preferential creditors.
- 8 2 In addition, the creditors of the Company did not subsequently request a creditors' meeting to be held.
- 8 3 No meeting was convened and in accordance with Rule 2.35(5) of the Rules, the Proposals were deemed to be approved by creditors.

## **9. EC REGULATION**

- 9 1 It is the Joint Administrators' opinion that the EC Regulation applies and these proceedings are main proceedings as defined in Article 3 of the EC Regulation. The centre of main interest of the Company is in England.

## **10. CONCLUSION AND ENDING THE ADMINISTRATION**

- 10.1 In accordance with the Proposals, on collection of the final sales consideration in relation to the sale of the Company's trade name 'Morris Singer' and completion of all other outstanding matters, a Notice to move from Administration to Dissolution – Form 2 358 will be submitted to the Registrar pursuant to Paragraph 84 of Schedule B1 to the Act.
- 10.2 Following the registration of the notice by the Registrar, the Joint Administrators' appointment shall cease to have effect and they will be discharged from liability under Paragraph 98 of Schedule B1 to the Act.
- 10.3 At the end of the three months beginning from the date of the notice being registered by the Registrar, the Company will be dissolved

## **11. OTHER MATTERS**

- 11.1 If you have any queries or require any further assistance, please do not hesitate to contact my colleague Mark Hickford

For and on behalf of  
Art Founders Limited



**Matthew Bond**  
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Matt Bond and Jason Godefroy, who act as agents of the Company and without personal liability. Both of the Joint Administrators are licensed by the Insolvency Practitioners Association.

**APPENDIX 1**  
**Statutory Information**

## STATUTORY INFORMATION

**Date of incorporation** 23 January 2003

**Registered number** 04646021

**Company director** Mr Rodney Seaman

**Company secretary** Mr Rodney Seaman

**Shareholders**

	Ordinary 'A' Shares	Ordinary 'B' Shares
Finch Seaman Enfield Group Limited	13938	122000
Mr Rodney Seaman	124062	0

**Trading address** 9 Swinborne Drive  
Springwood Industrial Estate  
Braintree  
Essex  
CM7 2YP

**Registered Office**

**Current:**

c/o MCR  
43-45 Portman Square  
London  
W1H 6LY

**Formerly:**

3 Warners Mill  
Silks Way  
Braintree  
Essex  
CM7 4GB

**Any Other Trading Names** Morris Singer

**Financial information**

	Period Ended 31 March 2009 (Unaudited) £	Period Ended 31 March 2008 (Unaudited) £
<b>Balance Sheet</b>		
Fixed assets	189,422	209,320
Net current assets / (Liabilities)	(171,038)	(229,725)
Long term liabilities	(28,504)	(37,379)
Net assets / (Liabilities)	<b>(10,120)</b>	<b>(57,784)</b>
Called up share capital	260,000	260,000
Revaluation reserve	15,000	15,000
Profit and loss account	(285,120)	(332,784)
Shareholders' funds	<b>(10,120)</b>	<b>(57,784)</b>

**APPENDIX 2**  
**Joint Administrators' Proposals**

## **JOINT ADMINISTRATORS' PROPOSALS**

- 1.1 The Joint Administrators propose the following
- 1.1.1 That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect
  - 1.1.2 That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.
  - 1.1.3 That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Insolvency Act 1986 to the Registrar of Companies to the effect that the Company has no property which might permit a distribution to its creditors, at which stage the Administration will cease
  - 1.1.4 That the Joint Administrators, in the event that they form the view that a distribution can be made to unsecured creditors, take the necessary steps to put the Company into Creditors' Voluntary Liquidation. It is proposed that the Joint Administrators, currently Matthew Bond and Jason Godefroy of MCR, would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 1986 the creditors may nominate a different person as the proposed liquidator, provided such nomination is made before these proposals are approved
  - 1.1.5 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986 upon filing the end of the Administration or their appointment otherwise ceasing
  - 1.1.6 That the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the Administration
  - 1.1.7 That the Joint Administrators be authorised to draw their firm's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), if any
  - 1.1.8 That the Joint Administrators be authorised to instruct and pay MCR Receivables Management Limited to assist with the collection of book debts, where considered appropriate.
  - 1.1.9 To seek an extension to the Administration period if deemed necessary by the Joint Administrators, for a period of six months or longer.
- 1.2 Pursuant to Rule 2.33(5) of the Insolvency Rules 1986, the proposals in paragraph 1.1 shall be deemed to be approved by the creditors on the expiry of the period in which a meeting can be requisitioned by creditors being eight business days from the date of this report, provided that no meeting has been so requisitioned

Cont'd/ .



- 1 3 The Joint Administrators will be seeking the following specific resolutions from the secured creditor:
- 1 3.1 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration or their appointment otherwise ceasing.
  - 1 3.2 That the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the Administration.
  - 1.3.3 That the Joint Administrators be authorised to draw their firm's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), if any.
  - 1.3.4 That the Joint Administrators be authorised to instruct and pay MCR Receivables Management Limited to assist with the collection of book debts, where considered appropriate

### **APPENDIX 3**

#### **Joint Administrators' Receipts and Payments account**

**Art Founders Limited  
(In Administration)**

**Joint Administrators' receipts and payments account for the period  
14 May 2010 to 13 November 2010**

	<b>Fixed Charge £</b>	<b>Floating Charge £</b>	<b>Total £</b>
<b>INCOME</b>			
Trade name 'Morris Singer'	-	2,700 00	2,700 00
Debtors	-	3,948 63	3,948 63
Bank interest gross	-	1 12	1.12
Plant and machinery	-	10,500.00	10,500 00
	<b>0.00</b>	<b>17,149.75</b>	<b>17,149.75</b>
<b>EXPENDITURE</b>			
Joint Administrators' remuneration	-	5,332 34	5,332 34
Agents/Valuers fees	-	2,301 59	2,301 59
Employment rights - Consultants	-	700 00	700 00
Tax consulting	-	275 00	275.00
Debt collection agents fees	-	146 96	146.96
Press agents	-	810.00	810 00
Storage costs	-	1,987.39	1,987 39
Statutory advertising	-	75 60	75 60
Bank charges	-	6 86	6 86
	<b>0.00</b>	<b>11,635.74</b>	<b>11,635.74</b>
<b>Balance</b>	<b>0.00</b>	<b>5,514.01</b>	<b>5,514.01</b>

**MADE UP AS FOLLOWS**

VAT Payable	(1,837 50)
VAT Receivable	2,035.06
Floating charge account	5,316 45
	<b><u>5,514.01</u></b>

#### **APPENDIX 4**

#### **Schedule of Joint Administrators' time costs**

# **Art Founders Limited (In Administration)**

## **Analysis of the Joint Administrators' time costs for the period 14 May 2010 to 9 December 2010**

Classification of Work Function	Hours					Total Hours	Time Cost £	Av hourly Rate £
	Partner	Manager	Senior	Assistant	Support			
<b>Administration and Planning</b>								
Strategy planning & control	3 90	35 40	0 90	53 60		93 80	23,124 00	246 52
Statutory matters (Meetings, Reports and Notices)	1 40	6 00		62 20		69 60	10,533 50	151 34
Case review and Case Diary management	0 70	1 10		26 30		28 10	3,656 00	130 11
Dealings with Directors and Management		6 80		6 00		12 80	3,147 50	245 90
Cashiering & accounting	0 30	1 40	2 80	10 00		14 50	2,626 00	181 10
Statement of affairs	0 20	1 30		4 30		5 80	1,279 00	220 52
IPS set up & maintenance		0 10		6 10		6 20	740 00	119 35
Tax Compliance/Planning	0 20	0 20		3 50		3 90	597 50	153 21
Insurance		0 20		2 10		2 30	378 00	164 35
<b>Investigations</b>								
CDDA, reports & Communication	0 60	4 00		50 10		54 70	7,715 00	141 04
Financial review and Investigations (S238/239 etc)				11 50		11 50	1,321 00	114 87
<b>Realisation of Assets</b>								
Sale of business	1 00	15 00		11 20		27 20	7,275 50	267 48
Stock and Work In Progress	0 10	6 50		8 60		15 20	3,341 00	219 80
Plant, Machinery, Fixtures and Motor Vehicles	0 10	5 10		11 90		17 10	3,211 50	187 81
Book debts		3 40		4 90		8 30	2,008 00	241 93
Goodwill and Intellectual Property Rights		2 50		4 90		7 40	1,814 50	245 20
Freehold and Leasehold Property	0 20	0 30		9 10		9 60	1,324 50	137 97
Hire Purchase and Lease Assets				8 00		8 00	941 50	117 69
Other Tangible Assets		0 20		2 70		2 90	407 50	140 52
Other Intangible Assets		0 20		0 30		0 50	117 50	235 00
<b>Trading</b>								
Trading - Retention of Title, Claims handling		0 10		3 40		3 50	613 00	175 14
<b>Creditors</b>								
Communications with Creditors/Employees	1 30	8 60		64 80		74 70	10,810 00	144 71
Non Pref Creditors/Employee claims handling	2 40	1 50		18 10		22 00	4,059 50	184 52
Secured Creditors	0 40	3 00		1 40		4 80	1,536 00	320 00
Pref claims adjudication and distribution				1 50		1 50	150 00	100 00
Creditors committee				0 40		0 40	40 00	100 00
<b>Total Hours</b>	<b>12.80</b>	<b>102 90</b>	<b>3 70</b>	<b>386 90</b>	<b>0 00</b>	<b>506 30</b>		<b>183 23</b>
<b>Total Fees Claimed (£)</b>	<b>6,336 00</b>	<b>36,469 50</b>	<b>976 00</b>	<b>48,986 00</b>	<b>0 00</b>		<b>92,767 50</b>	

## **Category 2 Disbursements:**

Classification of Work	Details of Payee	£
None		
	<b>Total</b>	

**APPENDIX 5**  
**Statement of Affairs**

**Statement of affairs**

Name of Company Art Founders Limited	Company number 04646021
In the High Court of Justice, Chancery Division, Companies Court, London (full name of court)	Court Case Number 3706 of 2010

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

Statement as to the affairs of (a) Art Founders Limited ("the Company") c/o MCR, 43-45  
Portman Square, London, W1H 6LY

(b) Insert date

on the (b) 14 May 2010, the date that the Company entered Administration

---

**Statement of Truth**

I believe that the facts stated in this statement of affairs are a full, true and complete  
statement of the affairs of the above named company as at (b) 14 May 2010, the date that  
the Company entered Administration.

Full name RODNEY SEAMAN \_\_\_\_\_

Signed  \_\_\_\_\_

Dated 20<sup>th</sup> Aug. 2010 \_\_\_\_\_

**INSOLVENCY ACT 1986**

**DIRECTORS STATEMENT OF AFFAIRS**

**A – Summary of Assets**

Assets	Notes	Book Value £	Estimated to Realise £
<b>Assets subject to fixed charge:</b>			
Goodwill, name and customer list		20,443	10,000
Plant and machinery		121,881	20,000
Less: Indebtedness to Lloyds TSB Bank		<u>(170,000)</u>	<u>(170,000)</u>
Fixed charge surplus / (deficit)		<u>(27,676)</u>	<u>(140,000)</u>
<b>Assets subject to floating charge:</b>			
Office equipment		5,860	Nil
Trade Debtors		25,169	23,160
Stock / WIP		404,621	228,390
Leasehold improvements		11,620	Nil
Debtors and pre-payments		<u>4,410</u>	<u>Nil</u>
		451,680	251,550
<b>Estimated total assets available for preferential creditors</b>		<b>£ 451,680</b>	<b>251,550</b>

Signature 

Date 20th Aug 2010

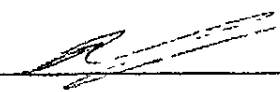


**INSOLVENCY ACT 1986**

**DIRECTORS STATEMENT OF AFFAIRS**

**A1 – Summary of liabilities**

		Estimated to realise £
<b>Estimated total assets available for preferential creditors (carried from page A)</b>	£	<b>251,550</b>
<b>Liabilities</b>		
Preferential creditors.	(£25,481)	
<b>Estimated deficiency /surplus as regards preferential creditors:</b>	£	<b>226,069</b>
Estimated prescribed part of net property where applicable (to carry forward)	(£48,214)	
<b>Estimated total assets available for floating charge holders</b>	£	<b>177,855</b>
Debts secured by floating charges	(£140,000)	
<b>Estimated deficiency / surplus of assets after floating charges</b>	£	<b>37,855</b>
Estimated prescribed part of net property where applicable (brought down)	£48,214	
<b>Total assets available to unsecured creditors</b>	£	<b>86,069</b>
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	(£253,347)	
<b>Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)</b>	£	<b>(£167,278)</b>
Shortfall to floating charge holders (brought down)	nil	
<b>Estimated deficiency/surplus as regard creditors</b>	£	<b>(167,278)</b>
Issued and called up capital	(£260,000)	
<b>Estimated total deficiency / surplus as regards members</b>	£	<b>(£427,278)</b>

Signature 

Date 20th August 2010

## COMPANY CREDITORS

**Note:** You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession

Name of creditor or claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of Security £
See attached sheets					

See attached creditors listing taken from the Company's books and records as at 14 May 2010.

Signature \_\_\_\_\_

Date 20th Aug 2010


**Art Founders Limited (In Administration)**  
**B - Company Creditors**

Name	Address	£
Ms P Silsby	119 Rayne Road, CM7 2DD	0 00
Ms Tesmer		0 00
Ms Walls	27 Walter Way, Silver End, Witham, Essex, CM8 3RJ	0 00
MYTEC WAREHOUSING LIMITED	UNIT 10, GENTLEMENS FIELD, WESTMILL ROAD, WARE, HERTS, SG12 0FF	6160 45
NICHE LIMITED	UNIT 4 CHILFORD COURT, RAYNE ROAD, BRAINTREE, ESSEX, CM7 2OS	485 57
Nordair Niche Limited	Unit 4, Chilford Court, Braintree, Essex, CM7 2OS	0 00
NOTCUTT LTD	HOMWOOD FARM, NEWARK LANE, RIPLEY, SURREY, GU23 6DJ	9919 90
P J MULLINS		4545 00
PHILIP CLEEVE	PEAR TREE COTTAGE, LAMBERTS LANE, MIDHURST, WEST SUSSEX, GU29 9EF	0 00
POTCLAYS	BRICKKILN LANE, ETRUKIA, STOKE ON TRENT, STAFFS, ST4 7BP	319 70
QUICK SAND	THE CORDONS, LONG GREEN, CRESSING, BRAINTREE, CM77 8DL	0 00
R L SLAUGHTER	11-12 UPMINSTER TRADING PARK, WARLEY ST UPMINSTER, ESSEX, RM14 3PJ	1065 93
SAGE UK LIMITED	NORTH PARK, NEWCASTLE UPON TYNE, NE13 9AA	0 00
SMALL VAN HIRE	9 SWINBORNE DRIVE, SPRINGWOOD INDUSTRIAL ESTATE, BRAINTREE, ESSEX, CM7 2YP	4262 90
SMITH LAW PARTNERSHIP	GORDON HOUSE, 22 RAYNE ROAD, BRAINTREE, ESSEX, CM7 2OW	0 00
SOUTH WESTERN INDUSTRIAL PLASTERS	63 NETHERSTREET, BROMHAM, CHIPPENHAM, WILTS, SN15 2DP	3335 69
ST ANNES HAULAGE (ESSEX) LIMITED	40 ORION WAY, BRAINTREE, ESSEX, CM7 9UR	346 62
STRIKO UK LTD	UNIT 24 JUPITER BUSINESS PARK, HIXON, STAFFORDSHIRE, ST18 0PF	236 43
SYNEL INDUSTRIES LTD	TRANSPUTEC HS, 19 HEATHER PARK DRIVE, WEMBLEY, MIDDLESEX, HA0 1SS	64 63
THE BRITISH WAX REFINING COMPANY LTD	62 HOLMETHORPE AVENUE, HOLMETHORPE INDUSTRIAL ESTATE, REDHILL, SURREY, RH1 2NL	254 92
THE SOCIETY OF PORTAIT SCULPTORS	FARM PLACE, ISFIELD, NR UCKFIELD, EAST SUSSEX, TN22 5TY	0 00
TUPLIN (GATWICK) LIMITED	UNITS 7/8 BRIDGE IND. ESTATE, BALCOMBE ROAD, HORLEY, SURREY, RH6 9HU	0 00
UNITED WELDING SUPPLIES LIMITED	UNIT 32, THE CAM CENTRE, HILBRUY WAY, HITCHIN, HERTS, SG4 0TW	0 00
WEST LONDON SHOTBLAST	SOUTHWOOD MANOR, BURHILL, HERSHAM, SURREY, KT12 4BJ	384 68
<b>82 Entries Totalling</b>		<b>253347.48</b>

Signature  Date 20th Aug 2010

**Art Founders Limited (In Administration)**  
**B - Company Creditors**

Name	Address	£
FINCH SEAMAN ENFIELD GROUP	11 SWINBOURNE DRIVE, SPRINGWOOD INDUSTRIAL ESTATE, BRAINTREE, ESSEX, CM7 2YP	3 171 59
GRENDALL LIMITED	RUSSELL HOUSE, ICKNIELD WAY, LETCHWORTH, HERTS, SG6 1EL	2,446 94
H G Rant	Oakmead Works, Desborough Street, High Wycombe, Bucks, HP11 2LX	68 18
H M Revenue & Customs	Insolvency Operations, Queens Dock, Liverpool Merseyside, L74 4AF	0 00
HAVENDENE LTD T/A OFFICE LORO	UNITS 4/6, BENFIELD WAY, BRAINTREE, ESSEX, CM7 3YS	319 70
HAZE AND SAFETY LIMITED	27 MEADOWSIDE, BRAINTREE, ESSEX, CM7 5UG	870 00
HEALTH AND SAFETY LABORATORY	FINANCE SECTION, HARPUR HILL, BUXTON, DERBYSHIRE, SK17 9JN	140 00
H M Revenue & Customs	Enforcement & Insolvency Service, Durrington Bridge House, Worthing, West Sussex, BN12 4SE	195,216 91
HOBEN INDUSTRIAL MINERALS LTD	PO BOX 37, STOKES ON TRENT, ST1 3NR	0 00
HOBEN INTERNATIONAL LTD	PO BOX 37 (STOKES), IVY HOUSE ROAD, STOKES ON TRENT, ST1 3RU	0 00
INTERCOMM SERVICES LIMITED	GLOBE WORKS 11 SWINBORNE DRIVE, BRAINTREE, ESSEX, CM7 2YP	2,612 56
JOHN WINTER & CO LTD	FOUNDRY & DENTAL SUPPLIES, PO BOX 21, WASHER LANE HALIFAX, WEST YORKSHIRE	1,052 22
KINGSDOWN COMPRESSED AIR SYSTEMS LTD	UNIT 8 INVICTA BUSINESS PARK, LONDON ROAD, WROTHAM, KENT, TN15 7RJ	193 72
Lambert Chapman	3 Warners Mill, Silks Way, Braintree, Essex, CM7 3GB	3,542 63
LIBERON LIMITED	MOUNTFIELD INDUSTRIAL ESTATE, NEW ROMNEY, KENT, TN28 8XY	118 62
LOMBARD	PO BOX 520 ROTHERHAM, SOUTH YORKSHIRE, S63 3BR	0 00
LUNTS CASTINGS LTD	MIDDLEMORE ROAD, BIRMINGHAM, B21 0BJ	100 46
MOULD LIFE	C/O LLOYDS TSB COMMERCIAL FINANCE, PO BOX 1044 HARLOW, ESSEX, CM20 9GY	658 08
Mr A Palmer	1 Goldingham Drive, Braintree, Essex, CM7 1BJ	0 00
Mr C Boverhoff	3 Queens Road Lychoit, Basinstoke, Hampshire, RG21 7RF	0 00
Mr C Dearing	26 Arfield Lane, Braintree, Essex, CM7 2TH	0 00
MR D DEARING	6 DEAN ROGERS PLACE, BRAINTREE, ESSEX, CM7 5ST	0 00
Mr E Triplow	24 Challis Lane, Braintree, Essex, CM7 1AN	0 00
Mr Hamblin	The West Lodge, Salling Grove, Great Salling, Braintree, Essex, CM7 5DP	0 00
Mr J Guy	East Lodge, Great Salling, CM7 5DW	0 00
Mr K Bellamy	47 Mounts Road, Braintree, Essex, CM7 3JA	0 00
Mr P Swan	28 Lupin Way, Crackton On Sea, Essex, CO16 7DX	0 00
MR P TUREK		0 00
Mr R Seaman	167 London Road, Braintree, Essex, CM7 8PT	0 00
Mr S Breaker-Rolfe	142 Jeffreys Road, Braintree, Essex, CM7 8JJ	0 00
MS E FROST	2 HOLLILAND CROFT, GREAT TEY, COLCHESTER, ESSEX, CO6 1BB	0 00

Signature  Date 20.11.2010

**Art Founders Limited (In Administration)**  
**B - Company Creditors**

Name	Address	£
AIR BLAST (EAST ANGLIA)	UNITS 2/3 THE OLD AIRFIELD GOSFIELD, CO9 1AS	669 75
ALBURY ASSET RENTALS	PO BOX 6227, NORTHERN CROSS BASING VIEW, BASINGSTOKE, HAMPSHIRE RG21 47Q	0 00
ARCO LIMITED	PO BOX 21, HEAD OFFICE, WAYERLEY STREET, JULL, HU1 2SJ	200 30
ARMILL LIFT TRUCKS LTD	3A CRITTALL DRIVE, SPRINGWOOD IND ESTATE, BRAINTREE, ESSEX, CM7 2RT	21 53
ATOM HYDRAULICS LIMITED	UNIT 1, WICKS CLOSE, SPRINGWOOD INDUSTRIAL ESTATE, BRAINTREE, ESSEX, CM7 2EG	0 00
BIFFA WASTE SERVICES	PO BOX 645, HIGH WYCOMBE, HP12 3WF	139 48
BOC	CUSTOMER SERVICE CENTRE, PO BOX 12, PRIESTLEY ROAD, WORSLEY MANCHESTER, M28 2UT	2572 11
BOYSEN DESIGN PARTNERSHIP	THE OLD BARN, LLANDYSUL, CEREDIGION, SA44 6AD	177 50
BRAINTREE CHAMBER OF TRADE AND COMMER	THE CORNER HOUSE, MARKET PLACE, BRAINTREE, ESSEX, CM7 3HO	60 00
BRANDON HIRE	72-75 FEEDER ROAD, BRISTOL, BS2 0TG	0 00
BRECKLAND HYGIENE & INDUSTRIAL SUPPLIES	UNIT 5-7 TELFORD WAY, THETFORD, SUFFOLK, IP24 1HU	253 84
BRITISH GAS BUSINESS	PO BOX 254 CAMBERLEY SURREY, GU15 3WA	3957 07
BRITISH TELECOM		0 00
BROOKSIDE METAL COMPANY	BILSTON LANE, WILLENHALL, WEST MIDLANDS, WV13 2OE	0 00
CALOR GAS LIMITED	CORYTON CALOR CENTRE DIRECT, MANOR WAY, STANFORD-LE-HOPE, ESSEX, SS17 9LW	0 00
CAPITAL REFRACTORIES LIMITED	STATION ROAD, CLOWNE, DERBYSHIRE, S43 4AB	1575 69
CCS MEDIA	OLD BIRDHOLME HOUSE, DERBY ROAD, CHESTERFIELD, DERBYSHIRE, S40 2EX	55 23
CEMEX UK OPERATIONS LIMITED	PO BOX 104, STOCKTON ON TEES, TS17 6WZ	600 87
CLOSE PREMIUM FINANCE	21ST FLOOR, TOLWORTH TOWER, EWELL ROAD, TOLWORTH, SURREY, KT6 7EL	0 00
CM PATTERNMAKING	22 FINCH DRIVE, SPRINGWOOD INDUSTRIAL ESTATE BRAINTREE	0 00
COLCHESTER HOSPITAL UNIVERSITY	FINANCIAL SERVICES, NORTH LODGE, COLCHESTER HOSPITAL, TURNER ROAD, COLCHESTER, ESSEX, CO4 5JL	353 73
CONSULT X LIMITED	THE OAKS, BADGERS CROFT, HEMEL HEMPSTEAD, HERTFORDSHIRE, HP2 4NE	204 81
EON ENERGY	BUSINESS CUSTOMER SERVICE, E ON ENERGY LIMITED, NEWLAND HOUSE 49 MOUNT STREET, NOTTINGHAM, NG1 6PG	0 00
ERNEST DOE	ULTING, MALDON ESSEX, CM9 6OH	0 00
ESSEX ENGINEERS SUPPLIES LTD	UNIT 12 WARNER DRIVE, SPRINGWOOD INDUSTRIAL ESTATE, RAYNE ROAD, BRAINTREE, ESSEX, CM7 2YW	46 85
FINCH SEAMAN ENFIELD	11 SWINBOURNE DRIVE, SPRINGWOOD INDUSTRIAL ESTATE, BRAINTREE, ESSEX, CM7 2YP	564 69

Signature  Date 20th Aug 2010

## COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal value	Details of shares held
Finch Seaman Enfield Group Limited	11 Swinborne Drive, Springwood Industrial Estate, Braintree, Essex, CM7 4GB	135,938	£1 per share	Ordinary A shares 13,938 Ordinary B shares 122,000
Rodney Seaman	167 London Road, Braintree, Essex, CM7 8PT	124,062	£1 per share	Ordinary A shares 124,062
TOTALS		260,000	£260,000	

Signature \_\_\_\_\_

Date 20th Aug 2010