

2.24B

The Insolvency Act 1986

Joint Administrators' Progress Report

Name of Company RISC Management Ltd	Company number 05339303
In the High Court of Justice <small>(full name of court)</small>	Court case number 477 of 2014

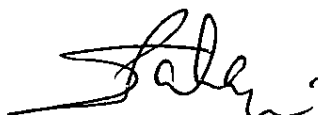
We, Simon Paterson
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Victory House
Quayside
Chatham Maritime
Kent ME4 4QU

David Elliott
Moore Stephens LLP
Victory House
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Joint Administrators of the above Company attach a Progress Report for the period

From (b) Insert date (b) 21 January 2014	To (b) 20 July 2014
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Signed



Joint Administrator

Dated

20 August 2014

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

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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

THURSDAY



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A3ERDUMF
21/08/2014 #17
COMPANIES HOUSE

Strictly Private & Confidential

RISC MANAGEMENT LTD ("THE COMPANY")

Report to the Creditors in Accordance with Rule 2.47 of the Insolvency Rules 1986

20 August 2014

Moore Stephens LLP
Victory House
Quayside
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Contents

- 1 Statutory Information
- 2 Progress to Date
- 3 Investigations
- 4 Pre Appointment Costs and Expenses
- 5 Joint Administrators' Remuneration and Category 2 Disbursements
- 6 Joint Administrators' Expenses
- 7 Creditors' Rights
- 8 Liabilities

Appendices

- | | |
|--------------|--|
| Appendix I | Receipts and Payments Account for the Period |
| Appendix II | Breakdown of Time Costs |
| Appendix III | Breakdown of Category 2 Disbursements |
| Appendix IV | Schedule of Expenses Incurred |

This report is intended for use by those parties entitled to a copy thereof under Rule 2.47 of the Insolvency Rules 1986. It may contain information that is privileged, confidential or exempt from disclosure and any dissemination, distribution or copying of it and its attachments is strictly prohibited.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

The affairs, business and property of the Company are being managed by the joint administrators who act as agents of the Company without personal liability.

Simon Paterson is authorised in the UK to act as an Insolvency Practitioner by the Insolvency Practitioners Association. David Elliott is authorised in the UK to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales.

1 Statutory Information

Company Name	RISC Management Ltd
Company Number	05339303
Registered Office	Victory House Quayside Chatham Maritime Kent ME4 4QU
Trading Address	3rd Floor 7-8 Conduit Street London W1S 2XF
Court Reference	High Court of Justice No 477 of 2014
Date of Appointment	21 January 2014
Joint Administrators	Simon Paterson David Elliott
	There have been no changes in the office holders
Joint Administrators' Address	Moore Stephens LLP Victory House Quayside Chatham Maritime Kent ME4 4QU
Paragraph 100(2) Statement	The functions and powers of the joint administrators may be exercised by either or both of the joint administrators jointly and severally
Appointor	Keith Lindsay Hunter
Appointor's Address	56 The Tracery, Park Road, Banstead, Surrey, SM7 3DD

2. Progress to Date

- 2 1 A detailed explanation of the background leading to the appointment of the Joint Administrators and the steps taken post appointment was included in the Joint Administrators' Proposals dated 14 March 2014
- 2 2 There have been no deviations or amendments to the original Proposal which was approved without modification
- 2 3 There has been no application to extend the term of the Administration
- 2 4 The receipts and payments account attached at Appendix I details the asset realisations to date
- 2 5 The Goodwill, chattel assets and work in progress form part of the sale of part of the business to Animus Associates and is payable over a two year period

- 2 6 The sum of £7 79 has been received from the National Westminster Bank plc, being the closing balance
- 2 7 Debtor monies of £71,443 31 have been realised during the period under review, compared to the estimated figure of £74,776 00 Collections are on-going and it is anticipated that more realisations will be made from this source
- 2 8 A refund of £23 30 has been received from British Telecom in respect of an overpayment
- 2 9 Late Payment Interest amounting to £627 84 has been realised from outstanding debtors, as has £604 of court fees

3 Investigations

- 3 1 An appropriate report/return on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business Innovation & Skills in accordance with the Joint Administrators' statutory duties Please note that the content of this report/return is of a confidential nature and so cannot be disclosed to third parties.

4 Pre Appointment Costs and Expenses

- 4 1 At the meeting held by correspondence on 14 April 2014, it was resolved that the time costs incurred prior to appointment with a view to placing the company into Administration by Moore Stephens LLP in the sum of £12,843.75 and pre appointment expenses of £670 be approved. These costs and expenses have subsequently been discharged

5. Joint Administrators' Remuneration and Category 2 Disbursements

- 5 1 At the meeting held by correspondence, the following resolutions were passed
- That the remuneration of the Joint Administrators be fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration in accordance with Rule 2 106(2)(b) of the Insolvency Rules 1986
 - The Joint Administrators shall be authorised to draw their firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage, mileage and room hire, as and when funds permit
- 5 2 The time costs incurred to date have arisen primarily as a result of completing the negotiations with the new purchaser to acquire the business In addition, we have dealt with the statutory functions required under the Insolvency Act and Rules, the realisation of assets and also enquiries from creditors
- 5 3 A detailed breakdown of the Joint Administrators' time costs and Category 2 Disbursements together with current charge out rates are attached at Appendices II and III To date, £9,759 50 has been drawn in respect of the Joint Administrators' fees
- 5 4 Should you wish to receive a copy of "A Creditor's Guide to Administrators' Fees" this is available on the Moore Stephens website <http://www.moorestephens.co.uk/corporaterecovery.aspx> or by requesting a copy from this office in writing or by telephone

6 Joint Administrators' Expenses

- 6 1 A schedule of all expenses incurred in the period has been detailed at Appendix IV

- 6 2 KA Credit management Services Limited have been instructed to collect outstanding debtor monies and £4,750 has been paid to them. Moreton Smith have been paid £155.50 regarding collection of a foreign debtor.
- 6 3 MacMillan Browne Limited were instructed to retrieve books and records and have been paid £1,286.66 for their services.
- 6 4 Storage costs of £135.20 have been paid to Invicta Archive Storage Limited. Iron Mountain, the company's former archivist, were paid £245.00 to release the records stored that were needed to be preserved for an extant litigation.

7 Creditors' Rights

- 7 1 Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor with the permission of the court may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-Administration costs) which have been itemised in the Progress Report.

Within 14 days of receipt of the request, we must provide all of the information asked for, except so far as we consider that

- the time or cost of preparation of the information would be excessive, or
- disclosure of the information would be prejudicial to the conduct of the Administration if or might reasonably be expected to lead to violence against any person, or
- we are subject to an obligation of confidentiality in respect of the information.

We are also required to give reasons for not providing all of the requested information.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may, within eight 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.

8 Liabilities

8 1 Secured Creditors

Keith Lindsay Hunter holds a Fixed & Floating Charge Debenture dated 16 December 2009 over the assets of the Company. I intend to make a payment on account of this charge shortly.

There will be a Prescribed Part in accordance with S176A of the Insolvency Act 1986.

8 2 Preferential Creditors

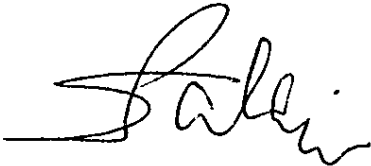
I am not aware of any preferential creditors.

8 3 Non Preferential Creditors

It is anticipated that there will be a distribution to the non preferential creditors, however, at this stage we are unable to comment on the amount and timing. Such a dividend will be paid once the Company

has moved from Administration to a Creditors' Voluntary Liquidation and it is anticipated that this will take place within the next three months

You are reminded that a dividend will only be paid to those creditors who have submitted a claim form that has been admitted for dividend purposes. If you have not sent in your claim, please do so using the claim form attached to my earlier reports

A handwritten signature in black ink, appearing to read 'S Paterson', with a stylized, cursive script.

Simon Paterson
Joint Administrator

simon.paterson@moorestephens.com

Joint Administrators' Receipts and Payments Account

RISC Management Ltd (In Administration)

	Statement of Affairs £	From 21/01/2014 To 20/07/2014 £	From 21/01/2014 To 20/07/2014 £
RECEIPTS			
Goodwill	15,000 00	0 00	0 00
Chattel Assets	3,500 00	0 00	0 00
Work in Progress	48,330 00	0 00	0 00
Cash at Bank		7 79	7 79
Debtors	74,776 00	71,443 31	71,443 31
BT Refund		23 30	23 30
Late Payment Interest		627 84	627 84
Court Fees Recovered		604 00	604 00
		<u>72,706 24</u>	<u>72,706 24</u>
PAYMENTS			
Agents' Fees & Expenses		60 00	60 00
Debt Recovery Costs		4,905 50	4,905 50
Court Fees		1,150 00	1,150 00
Statutory Advertising		150 00	150 00
Specific Penalty Bond		185 00	185 00
Travel Costs		127 10	127 10
Company Search Fees		1 00	1 00
Storage Costs		1,666 86	1,666 86
Pre Appointment Fees		12,843 75	12,843 75
Pre Appointment Disbursements		670 00	670 00
Joint Administrators' Fees		9,759 50	9,759 50
Category 2 Disbursements		27 10	27 10
		<u>31,545 81</u>	<u>31,545 81</u>
Net Receipts/(Payments)		<u>41,160 43</u>	<u>41,160 43</u>
MADE UP AS FOLLOWS			
VAT Receivable			206 00
Bank 2 - Current			35,881 64
VAT Control Account			5,072 79
			<u>41,160 43</u>

Breakdown of Time Costs

RISC Management Ltd (In Administration)

Summary of Moore Stephens' Time Costs from 21/01/2014 to 20/07/2014

	Partner / Associate	Director / Manager	Administrator	Support Staff	Total Hours	Time Cost (£)	Av Rate £/h
Statutory Compliance, Administration and Planning	14 20	0 85	26 50	26 90	68 45	10,718 50	156 59
Investigations		10 10	0 15	3 95	14 20	3,263 00	229 79
Realisation of Assets	7 05	0 40	1 10	14 10	22 65	4,155 00	183 44
Creditors	1 05		26 15		27 20	2,828 50	103 99
Total Hours	22 30	11 35	53 90	44 95	132 50		
Total Time Costs £	8,362 50	3,276 50	5,108 50	4 217 50		20 965 00	158 23

Total Remuneration Drawn on Account

£9 759 50

Charge Out Rates -

Rates effective from 1st-Nov-2012

Partner / Associate £320-£530

Director / Manager £155-£300

Administrator £55-£155

Support Staff £30-£115

Time charged in 3 minute units or multiples thereof

Examples of work generally undertaken but not limited to

Statutory Compliance, Administration and Planning

- Compliance with other regulatory requirements
- Statutory reporting and compliance
- Case planning
- Administrative set up
- Appointment notification
- Maintenance of records

Investigations

- SIP 2 review
- CDDA reports
- Investigating antecedent transactions

Realisation of Assets

- Identifying securing, insuring assets
- Retention of title
- Property business and asset sales
- Debt collection
- Tax reclaims

Creditors

- Communication with creditors
- Creditors' claims (including employees and other preferential creditors)

Breakdown of Category 2 Disbursements

RISC Management Ltd (In Administration)

Summary of Moore Stephens' Category 2 Disbursements from 21/01/2014 to 20/07/2014

	Costs Incurred £	Costs Drawn £
Car Mileage	27 10	27 10
Total	<u>27 10</u>	<u>27 10</u>
Total Undrawn Costs to Carry Forward		Nil

Category 2 Disbursement Rates -

Type	Rate
Car Mileage	£0 45 per mile maximum
Photocopying / Printing	£0 15 per sheet
Colour Photocopying	£2 50 per sheet
Fax	£0 40 per sheet
Storage - standard box	£3 90 per box per quarter (min £30 per quarter)
Room Hire	£50 per hour

Schedule of Expenses Incurred

RISC Management Ltd (In Administration)

Transaction Period 21/01/2014 to 20/07/2014

	Costs Incurred £	Costs Drawn £
Cost Description		
Agents' Fees & Expenses	60 00	60 00
Debt Recovery Costs	4,905 50	4,905 50
Court Fees	1,150 00	1,150 00
Statutory Advertising	150 00	150 00
Specific Penalty Bond	185 00	185 00
Travel Costs	127 10	127 10
Company Search Fees	1 00	1 00
Storage Costs	1,666 86	1,666 86
Total	8,245 46	8,245 46
Total Undrawn Costs to Carry Forward		Nil

Summary of Professional Services

Professional Advisor	Nature of Work	Fee Arrangement
KA Credit Management Services Ltd	Debt Recovery	Time Costs
Moreton Smith	Debt Collection	Time Costs
MacMillan Browne Limited	Record Collection / Retrieval	Time Costs
Invicta Archive Storage Limited	Record Storage	Monthly Rate Per Box
Iron Mountain	Record Storage	Monthly Rate Per Box