

The Insolvency Act 1986

Administrator's progress report

Name of Company

ITrain Consulting Services Limited

Company number

05483438

In the
High Court of Justice

(full name of court)

Court case number
2576 of 2012(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Alexander Kinninmonth
RSM Tenon Recovery
Highfield Court, Tollgate
Chandlers Ford
Eastleigh
Hampshire, SO53 3TZDuncan Robert Beat
RSM Tenon Recovery
Highfield Court, Tollgate
Chandlers Ford
Eastleigh
Hampshire, SO53 3TZ

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

From

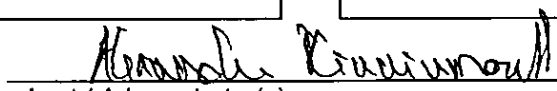
To

(b) Insert date

(b) 21 March 2012

(b) 20 September 2012

Signed


Joint / Administrator(s)

Dated

16/10/12

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

Alexander Kinninmonth
RSM Tenon Recovery
Highfield Court, Tollgate
Chandlers Ford
Eastleigh
Hampshire, SO53 3TZ

DX Number southampton

+44 (0) 2380 646 464
DX Exchange

WEDNESDAY



A1JPIFMR

A11

17/10/2012

#309

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

Private and Confidential

RSM Tenon Recovery
Highfield Court, Tollgate, Chandlers Ford,
Eastleigh, Hampshire, SO53 3TZ
T +44 (0) 2380 648 464
F +44 (0) 2380 646 646
www.rsmtenton.com

Our Ref
ASK/DRB/RW/RJ/7740217/ADM0602e/
Your Ref
16 October 2012

To All Known Creditors

When telephoning or emailing please contact Ryan Jarvis on 023 8064 6432 or ryan.jarvis@rsmtenton.com

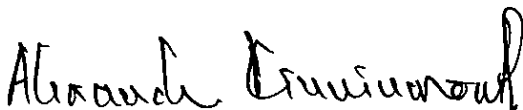
Dear Sirs

ITrain Consulting Services Limited ("the Company") - In Administration

I enclose a copy of my first progress report in relation to the above administration

Should you require any further information relating to this report, please do not hesitate to contact this office on the number above

Yours faithfully
For and on behalf of
ITrain Consulting Services Limited – In Administration



Alexander Kinninmonth

Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants
The affairs, business and property of the Company are being managed by the Administrators*

Enclosures

- > Joint Administrators' Report
- > Appendix I Statutory Information
- > Appendix II Receipts & Payments account
- > Appendix III Information relating to Administrators' Fees and Expenses
- > Form 2 24B - Administrators' Progress Report

WEDNESDAY

COMPANIES HOUSE

Recovery and insolvency services are provided through RSM Tenon Limited and our insolvency practitioners are authorised to act in this capacity by their individual licensing bodies. RSM Tenon Limited is a subsidiary of RSM Tenon Group PLC. Partners and staff acting as Administrative Receivers and Administrators act as agents of the company over which they are appointed and contract without personal liability.

RSM Tenon Limited is an independent member firm of RSM International, an affiliation of independent accounting and consulting firms. RSM International is the name given to a network of independent accounting and consulting firms each of which practices in its own right. RSM International does not exist in any jurisdiction as a separate legal entity. RSM Tenon Limited (No 4066924) is registered in England and Wales. Registered Office 66 Chiswell Street, London W1U 4GB, England.

Government
Procurement
Service

The British Accountancy
AWARDS 2011
WINNER

**ITrain Consulting Services Limited (“the Company”) – In
Administration**

**Joint Administrators’ First Progress Report
for the period from 21 March 2012 to 20 September 2012**

Issued on: 16 October 2012

Alexander Kinninmonth and Duncan Robert Beat of RSM Tenon Recovery are the Joint Administrators of the Company and this is their report on the progress of the administration of the Company for the period from 21 March 2012 to 20 September 2012

1. Statutory Information

Statutory information relating to the Company is attached at **Appendix I**

2. Joint Administrators' receipts and payment account

A summary of the Joint Administrators' receipts and payments account relating to the Company for the relevant period from 21 March 2012 to 20 September 2012 is attached at **Appendix II**

3. Action taken by the Joint Administrators since appointment

As reported in the proposals the Joint Administrators decided that it was not appropriate to continue the business of the Company and, as a result, the Company ceased trading on 21 March 2012 and its employees were dismissed with effect from that date. An immediate sale of the Company's business and assets was sought as this was the best way to achieve the objective of the administration. As a result, on 28 March 2012 after a short period of marketing I sold the Company's contracts and assets to Adro International Training Limited ("Adro") a connected company by virtue of the common director and shareholder Martin Brown. The Joint Administrators were also contacted by two unconnected interested parties but no offers were received.

I can confirm that the Joint Administrators' proposals for achieving the purpose of the administration were approved by creditors with modifications on 21 May 2012. The proposals were modified to include a provision that the Company exits from Administration before 31 August 2012 by Creditors Voluntary Liquidation with Kevin Hellard & Amanda Wade both of Grant Thornton being the Joint Liquidators, but if Creditors Voluntary Liquidation is not an appropriate exit route the Company should then be placed into Compulsory Liquidation with either the Official Receiver as Liquidator or the creditors choosing the Liquidator at the time of exit. Creditors Voluntary Liquidation is not an appropriate option due to there being insufficient realisations to make a distribution to unsecured creditors and therefore the Company will be placed into Compulsory Liquidation at the end of the Administration.

On the 28 March 2012 the Joint Administrators sold the assets and contracts of the Company to Adro for £36,550 on a deferred consideration basis with the balance being payable on or before 9 June 2012. Adro is a connected company by virtue of the common directorship of Martin Brown.

3.1 Book debts

The Company factored its book debts, and as a result they are held as security by Pulse Cashflow Finance Limited ("Pulse"). Pulse have collected out on their ledger and remitted £12,589.46 to the Joint Administrators. The remaining ledger totalling £13,512 has been assigned to the Joint Administrators who will continue to collect the book debts.

3.2 Contracts

The contracts have been assigned to Adro and the sum of £1,000 has been agreed as consideration. The contracts had little value because they were dependant on the on-going relationship with Martin Brown, the director. This sum of money is still outstanding as the sale was agreed on a deferred considered basis and Adro have failed to pay the full consideration when it fell due. The Joint Liquidators are pursuing recovery for the sum of £1,000.

3.3 Goodwill

The sum of £1 was agreed for the goodwill of the Company in the sale agreement dated 28 March 2012. This sum of money is still outstanding as the sale was agreed on a deferred considered basis and Adro have failed to pay the full consideration when it fell due.

3.4 Office Furniture and Equipment

The office furniture and equipment was valued by Edward Symmons LLP, an independent firm of valuers and surveyors, at £55,675 if sold on a going concern basis and £7,315 if sold in a break up sale scenario. The sum of £35,550 was agreed in the sale detailed above. This offer was accepted after considering the costs of realisation and because this was the best achievable price with no other offers being received on an in situ basis. To date, the sum of £16,204.80 has been received.

Investigations

There are no outstanding lines of enquiry.

Administrators have a duty to submit confidential reports/returns to the government's Disqualification Unit on the conduct of those persons who acted as directors of the Company in the three year period before the Administration. These have been completed.

4. Liabilities and dividends

There is no prospect of a dividend to unsecured creditors.

5. Joint Administrators' Remuneration, Disbursements and Expenses

The Joint Administrators' proposals relating to their remuneration and disbursements were approved at the meeting of creditors on 21 May 2012. This provided for the Joint Administrators to be remunerated with reference to time properly spent in dealing with matters in the administration and that disbursements would be drawn in accordance with the tariff outlined in **Appendix III**.

Details of the costs incurred and paid by the Joint Administrators in relation to administration expenses for the period are also attached at **Appendix III**.

In accordance with Statement of Insolvency Practice 9, attached at **Appendix III** is a breakdown of these time costs.

Time costs drawn are as follows

In this period, from 21 March 2012 to 20 September 2012 £18,528 55

Total £18,528.55

Disbursements incurred and drawn

The Joint Administrators' disbursements incurred during the period of this report and those reimbursed in the period are summarised below Details are in the attached Appendix III

	Incurred	Paid
Category 1 disbursements for this period, from 21 March 2012 to 20 September 2012	£93 60	£85 90
Category 2 disbursements for this period, from 21 March 2012 to 20 September 2012	£11 54	£11 54
Total	£105 14	£97.44

Expenses (professional advisors) charged and drawn in the period

The following professional advisors have been instructed in this matter

<i>Professional Advisor</i>	<i>Nature of Work</i>	<i>Fee Arrangement</i>
PDT Solicitors	Agents Legal work	Time costs
Edward Symmons LLP	Agents Asset valuation	Time costs

The choice of professionals and the Joint Administrators' fee arrangement with them was based on perception of their experience and ability to perform this type of work, together with the complexity and nature of the assignment

Details of the costs incurred and paid by the Administrators in relation to administration expenses for the period are also attached at **Appendix III**.

Pre-administration costs

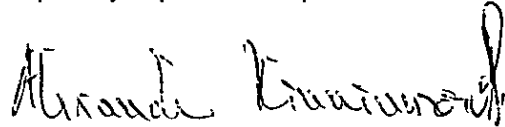
At the meeting of creditors on 21 May 2012, it was resolved that the Joint Administrators be authorised to draw pre-administration costs totalling £14,646 70 from the Company's assets To date, no sums have been drawn and this amount remains outstanding

Creditors' Guide to Fees and statement of creditors' rights

Creditors have a right to request further information from the Administrators and additionally have a right to challenge the Administrators' remuneration and expenses time limits apply Details can be found in the document 'Remuneration Guidelines Administration (post 6 April 2010)' which you can access and download at <http://www.rsmtenon.com/creditorguides> Alternatively a copy is available free of charge upon request from the address above

6. End of Administration

As outlined above it is the Joint Administrators' intention to exit the Administration by placing the Company into Compulsory Liquidation as per the modifications proposed at the meeting on creditors held on 21 May 2012

A handwritten signature in black ink, appearing to read 'Alexander Kinninmonth', with a large, stylized flourish at the end.

Alexander Kinninmonth

Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants
The affairs, business and property of the Company are being managed by the Administrators*

Statutory Information

Company Information

Company Name	ITrain Consulting Services Limited
Trading Name	Ittrain
Previous Name	Stratus Elearning Limited
Company Number	05483438
Date of Incorporation	16 June 2005
Trading Address	Cloisters Court, 22-26 Farringdon Lane, London, EC1R 3AH
Current Registered Office	Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ (Changed for the purpose of the insolvency)
Former Registered Office	Cloisters Court, 22-26 Farringdon Lane, London, EC1R 3AH
Principal Trading Activity	Software Consultancy and supply

Appointment details

Joint Administrators' name and address	Alexander Kinninmonth of RSM Tenon Recovery, Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ and Duncan Robert Beat of RSM Tenon Recovery Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ
Date of appointment	21 March 2012
Court Name and Reference	High Court of Justice number 2576 of 2012
Appointment made by	Pulse Cashflow Finance Limited Level 2, Belvedere, Basing View, Basingstoke, Hampshire, RG21 4HG
Actions of Joint Administrators	Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Administrators acting jointly or alone

ITrain Consulting Services Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 20/09/2012

S of A £		£	£
	SECURED ASSETS		
1 00	Goodwill	NIL	
61,500 00	Book Debts	12,589 46	12,589 46
	SECURED CREDITORS		
(31,000 00)	Pulse Cashflow Finance Limited	NIL	NIL
	ASSET REALISATIONS		
35,550 00	Office Furniture & Equipment	16,204 80	
1,000 00	Contracts	NIL	
	Bank Interest Gross	1 35	16,206 15
	COST OF REALISATIONS		
	Specific Bond	120 00	
	Office Holders Fees	18,528 55	
	Office Holders Expenses	97 45	
	Legal Fees	2,662 80	
	Statutory Advertising	254 00	
	Insurance of Assets	530 00	
	Tax Deducted at Source	0 27	(22,193 07)
	PREFERENTIAL CREDITORS		
(16,264 14)	Employee Arrears/Hol Pay	NIL	NIL
	UNSECURED CREDITORS		
(360,398 55)	Trade & Expense Creditors	NIL	
(62,731 59)	Employees	NIL	
(397,384 00)	HM Revenue & Customs	NIL	NIL
	DISTRIBUTIONS		
(2 00)	Ordinary Shareholders	NIL	NIL
(769,729.28)			6,602 54
	REPRESENTED BY		
	Vat Receivable		1,701 00
	Interest Bearing Current Account		4,901 54
			6,602.54

Appendix II

Receipts and Payments account

Appendix III

Information relating to the Joint Administrators' Fees and Expenses

ITrain Consulting Services Limited

Information relating to the Joint Administrators' Fees and Expenses

1. Explanation of Administrators' charging and disbursement recovery policies

1 1. Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

	£
Partner and Director	350 – 435
Senior Manager, Manager and Supervisor	235 – 310
Other Senior Professionals	160 – 195
Administration Staff	105

1 2. Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by RSM Tenon Recovery and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case, (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011). Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Category 2 disbursements include elements of shared or allocated costs incurred by RSM Tenon Recovery and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, all business mileage (for cases commencing on or after 1 November 2011), internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by RSM Tenon Recovery are as follows

Category	Cost	Basis
Stationery	4p, 3p, 35p	Per envelope, letterhead or label
Photocopying	5p	Per page
Faxes	50p	Per page
Storage	£7 20p	Per box per year
Room hire	£100	Fixed charge
Car Mileage	45p	Per mile
Other Travelling		Actual

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally

2. Description of work carried out

Section 3 of this appendix outlines the time costs to date in relation to activities undertaken during this period. These can be summarised as follows

Pre-appointment

Details of the Joint Administrators' pre-administration costs are set out in the main body of the report

2.1. Administration and planning

This includes the following activities which 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,
- > Reviewing available information to determine appropriate strategy,
- > Maintaining bank accounts,
- > 6 monthly progress review of the case

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

2.2. Investigations

The time spent includes

- > Corresponding with the former directors and management,
- > Review of questionnaires and comments provided by interested parties,
- > Review of company documentation,
- > Completion of statutory returns to the Insolvency Service

Due to the complex nature and importance of the investigations, the staff utilised to conduct such work involved experienced members of staff

2.3. Realisation of assets

Please refer to the main body of the report but in summary the time spent includes

- > Liaison with agents and solicitors,
- > Correspondence and meetings with interested parties,
- > Monitoring and chasing of deposits,
- > Agreement of contracts

2 4. Creditors

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with employee related matters,
- > Recording creditor claims
- > Reporting to creditors,
- > Meetings of creditors,
- > Dealing with creditor queries,
- > Reviewing and evaluating creditor claims

3. Time and charge-out summary

For the period of the report 21 March 2012 to 20 September 2012, a total of 116 hours have been spent at an average charge out rate of £245 bringing the total cost to date to £28,377

A table is attached which shows details of the time costs charged (exc VAT) in the current period

4. Disbursements

Disbursements incurred during the period of this report and cumulatively, and those reimbursed in the period and cumulatively to end of current period, are detailed below

Disbursements	This period	
	Incurred £	Paid £
<i>Category 1</i>		
Travel	17 70	10 00
Postage	75 90	75 90
Total	93.60	85 90
<i>Category 2</i>		
Stationery	11 54	11 54
Total	11 54	11.54

The above costs exclude VAT

5. Professional advisors and expenses

The Joint Administrators have incurred administration expenses in connection with the instruction of the parties shown below. Expenses incurred during the period of this report and cumulatively, and those paid in the period and cumulatively to end of current period are detailed.

Name & Activity	This period	Paid
	Incurred £	
PDT Solicitors	2,662.80	2,662.80
Edward Symmons LLP	1,440.00	0.00
Total	4,102.80	2,662.80

The above costs exclude VAT

SIP9 Summary

RSM Tenon

7740217 iTrain Consulting Services Limited Corp Administration/post appmt

21/03/2012 to 20/09/2012

SIP9 SubCategory	Partner and Director	Manager	Other Senior Professional	Assistant and Support Staff	Total Hours	Charge	AvgRate
Administration and planning	4 00	1 50	23 50	2 30	31 30	7,883 00	251 85
Creditors	3 50	1 00	31 95	10 70	47 15	9,891 25	209 78
Investigations	0 20	0 00	10 45	0 00	10 65	2,517 75	236 41
Realisation of assets	8 80	1 40	16 20	0 15	26 55	8,084 75	304 51
Trading	0 00	0 00	0 00	0 00	0 00	0 00	NaN
Hours	16 50	3 90	82 10	13 15	115 65		
Charge	7,092 50	1,209 00	18,600 50	1,474 75		28,376 75	