

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company

1st Serve Promotions Limited

Company number

05571776

In the High Court of Justice
Chancery Division
Manchester District Registry

(full name of court)

Court case number

3087 of 2012

(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Darren Brookes
Milner Boardman & Partners
The Old Bank
187a Ashley Road
Hale
Cheshire
WA15 9SQGary John Corbett
Milner Boardman & Partners
The Old Bank
187a Ashley Road
Hale
Cheshire
WA15 9SQ

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

From

To

(b) Insert date

(b) 4 April 2013

(b) 23 May 2013

Signed

Joint / Administrator(s)

Dated

10.6.13

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

Darren Brookes
Milner Boardman & Partners
The Old Bank
187a Ashley Road
Hale
Cheshire
WA15 9SQ

DX Number

0161 927 7788
DX Exchange

WEDNESDAY



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COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff



MILNER BOARDMAN
& PARTNERS
Corporate Recovery

Our Ref GJC/AJ/2110/8

23 May 2013

TO ALL KNOWN CREDITORS AND MEMBERS

Dear Sirs

**1st Serve Promotions Limited - In Administration
Manchester District Registry 3087 of 2012**

It is now almost eight months since my appointment in respect of the above company on 4 October 2012. It is now appropriate to exit the Administration by way of Creditor's Voluntary Liquidation as agreed by the creditors. I write in accordance with Rule 2.47 of The Insolvency Rules 1986 to provide creditors with a report on the progress of the administration. The report covers the period from 4 October 2012 to 23 May 2013 and should be read in conjunction with the Joint Administrators' Statement of Proposals dated 26 November 2012 and any further progress reports received after this date.

All progress made in implementing the approved proposals and achieving the statutory purpose of the administration will be reported on.

Yours faithfully
for and on behalf of
1st Serve Promotions Limited

**Gary Corbett
Joint Administrator**



MILNER BOARDMAN
& PARTNERS
Corporate Recovery

**1st SERVE PROMOTIONS LIMITED-
IN ADMINISTRATION**

Joint Administrators'
Final Report
In accordance with
Rule 2.47 of the Insolvency Act 1986

Covering the Period
4 October 2012 to 23 May 2013

23 May 2013

Milner Boardman and Partners
The Old Bank
187A Ashley Road
Hale
Cheshire
WA15 9SQ

High Court of Justice Chancery Division, Manchester District
Registry
No 3087 of 2012

Our Ref GJC/AJ/2110/8

Joint Administrators'
Progress Report



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1. Receipts and Payments Account
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1. Statutory Information

- 1 1 I was appointed Joint Administrator of 1st Serve Promotions Limited together with Darren Brookes on 4 October 2012 in the High Court of Justice, Chancery Division, Manchester District Registry. The application for the appointment of Administrators being deemed by Rule 2.3(2) of the Insolvency Rules 1986 to have been made by the company.
- 1 2 The Administration is being handled by Milner Boardman & Partners, situated at The Old Bank, 187A Ashley Road, Hale, Cheshire, WA15 9SQ.
- 1 3 The Administration is registered in the High Court of Justice, Chancery Division, Manchester District Registry, under reference number 3087 of 2012.
- 1 4 The trading address of the company was the directors' home address in Prestbury, Cheshire.
- 1 5 The registered office of the company is c/o Milner Boardman & Partners, The Old Bank, 187A Ashley Road, Hale, Cheshire, WA15 9SQ and its registered number is 05571776.
- 1 6 The functions of the Administrators may be exercised by either both, acting jointly or alone.

2. Joint Administrators' Proposals

- 2 1 As previously advised the Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:
- Rescuing the company as a going concern,
 - 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);
 - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.2 We did not consider that there was any prospect of achieving the rescue of the company itself as a going concern (purpose a). However, we believe there is still the prospect of achieving purpose b. It has not been possible to achieve a sale of
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the business as a going concern, however, the Joint Administrators have continued to pursue the outstanding assets and dependent on the realisation of the directors loan accounts, a distribution to the unsecured creditors could be achieved

3. Receipts and Payments

- 3.1 Attached at Appendix 1 is the Joint Administrators' Receipts and Payments Account for the period from 4 October 2012 to 22 May 2013 which shows a nil balance

4.1 Trading and Asset Realisation

- 4.1 The Joint Administrators took control of the assets and undertaking of the Company following their appointment on 4 October 2012
- 4.2 The Joint Administrators did not trade the company following their appointment
- 4.3 As previously reported, the company's books and records contain details of monies paid to Mr Flanagan and Ms McSorley ("the debtors") and these are recorded as an overdrawn director's loan account. The Joint Administrators were aware on appointment that the amounts due to the company were disputed by the debtors – many aspects of the dispute were disclosed in the papers presented to the Court during the application hearing

The Joint Administrators have reviewed the entries made and have demanded repayment on behalf of the company. As anticipated, the debtors have continued to dispute the sums demanded but have made an offer in full and final settlement of the claim.

The Joint Administrators have held several meetings with the principle creditors and formally with the Creditors Committee in relation to this offer. As a result of these discussions, negotiations have taken place with a third party (who is a creditor of the company) with a view to either assigning the claim for a value greater than the offer made by the debtors, or to enter into some other form of agreement which provides for no less a return to the general creditors but which provides for a potentially greater return. At the date of this report the Joint Administrators are awaiting a suitable contract for presentation to the interested party and will be looking to complete this deal shortly. The Joint Liquidators will continue to progress this matter.



- 4 4 Additionally, the Company's stock of memorabilia was collected by our agents, Eddisons. I can advise that an auction of the stock was held and an amount of £26,061 plus VAT was realised which is currently held by Eddisons and is due to be paid over to the Joint Administrators shortly. These funds will be transferred to the Joint Liquidators accordingly

5. Prospects for Creditors

5.1 Secured Claims

- 5 5 1 According to Companies House there are no charges registered against the company

5.2 Preferential Creditors

- 5 2 1 No preferential creditor claims are expected to be received in this case

5.3 Unsecured Creditors

- 5 3 1 The likelihood of a dividend being paid to unsecured creditors in this case is dependent on future realisations as detailed above

5.4 Prescribed Part

- 5 4 1 In accordance with Paragraph 176 (A) of the Insolvency Act 1986, the Joint Administrators are required to set aside a prescribed part of the Company's net property for the benefit of unsecured creditors that would otherwise be available to the secured floating charge holder
- 5 4 2 There are no relevant charges registered in this case and therefore the prescribed part does not apply

6. Exit from Administration

- 6 1 This 'Final Progress Report' has been prepared to bring about an end to the Administration period



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- 6 2 The Joint Administrators intend to exit the Administration by way of Creditors Voluntary Liquidation ("CVL") pursuant to the provisions of Paragraph 83 of Schedule B1 to the Insolvency Act 1986. With this report you will find enclosed Form 2 34B Notice of the Appointment of Liquidators.
- 6 3 The Joint Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

7. Administrators' Remuneration

- 7 1 It is for the creditors committee to approve the basis of the Joint Administrator's fees in this matter.
- 7 2 The Joint Administrator's time costs at 23 May 2013 are £50,880. This represents 185 hours at a rate of £274.14 per hour. Attached at Appendix 2 is a Time Analysis which provides details of the activity costs incurred by staff grade during this period. No fees have been drawn to date.
- 7 3 Also attached at Appendix 2 are details of creditors' rights in relation to the Joint Administrators remuneration and also to request information on the Joint Administrators remuneration and expenses.
- 7 4 Please note that Milner Boardman & Partners record time in six minute units.
- 7 5 The main areas where time costs have been incurred are 'Administration and Planning', 'Investigations', 'Realisation of Assets' and 'Dealing with Creditors'. These areas are discussed in more detail below.

7.6 Administration and Planning

- 7 6 1 A total of £35,378.50 has been spent on Administration and Planning. This includes time spent on meetings with Company Management and accountants, complying with our statutory duties, reporting to creditors, meeting with the creditor's committee and general administrative work.

7.7 Investigations

- 7 7.1 A total of £6382.50 has been spent on investigations to date in respect of company assets and director conduct.

7.8 Realisation of Assets

- 7 8 1 A total of £5133 has been spent on dealing with realisation of the assets, including progressing a sale of the assets and the directors loan account

7.9 Creditors

- 7 9 1 A total of £3986 00 has been spent on dealing with creditors. Work carried out relates to the trade creditors, finance companies, HM Revenue & Customs and employees, and includes advising creditors of our appointment, dealing with and processing their claims

8. Disbursements

- 8 1 Where disbursements are covered in respect of precise sums expended to third parties, there is no requirement for these costs to be authorised. These are known as Category 1 disbursements
- 8 2 To date no disbursements have been paid, however expenses have been incurred in respect of statutory advertising, specific bond and insurance of assets totalling approximately £600. Additionally the Administration application costs are to be paid as an expense of the Administration as ruled by the Court and total approximately £52,000. These payments will be dealt with by the Joint Liquidators in due course
- 8 3 Category 2 disbursements require creditor authorisation before they can be drawn and include staff mileage costs. Milner Boardman & Partners do not charge Category 2 disbursements

Should you require further information please contact this office on 0161 927 7788

Yours faithfully
for and on behalf of
1st Serve Promotions Limited



Gary Corbett
Joint Administrator



MELNER BOARDMAN
& PARTNERS
Corporate Recovery

Appendix 1 Receipts and Payments Account

1st Serve Promotions Limited
(In Administration)

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 04/10/2012 To 23/05/2013 £	From 04/10/2012 To 23/05/2013 £
RECEIPTS			
		<u>0 00</u>	<u>0 00</u>
PAYMENTS			
		<u>0 00</u>	<u>0 00</u>
BALANCE - 23 May 2013			<u><u>0.00</u></u>

Darren Terence Brookes
Joint Administrator



MILNER BOARDMAN
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Appendix 2

Milner Boardman & Partners' Time Analysis

Milner Boardman & Partners

TIME & CHARGEOUT SUMMARIES

1ST Serve Promotions Limited

HOURS

Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	61 80	60 50	0 00	0 00	122 30	35,378 50	289 28
Investigations	1 10	23 70	0 00	5 50	30 30	6,382 50	210 64
Realisation of Assets	17 40	0 00	0 00	0 00	17 40	5,133 00	295 00
Creditors	7 90	7 70	0 00	0 00	15 60	3,986 00	255 51
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Fees Claimed £	30,159 00	19,758 50	0 00	962 50		50,880 00	
Total Hours	88 20	91 90	0 00	5 50	185 60		
Average Rate	341 94	215 00	0 00	175 00			



MILNER BOARDMAN
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Appendix 3

Creditor's Rights in relation to Liquidator's Remuneration

MILNER BOARDMAN & PARTNERS – INFORMATION SHEET FOR CREDITORS

What if a creditor is dissatisfied with administration remuneration?

If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court

Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing.

If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration.

Creditors rights to information on the administration remuneration and expenses

Within 21 days of receipt of this progress report a creditor may request that the Joint Administrators provide further information about the remuneration and expenses set out in the report. Any request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

The Joint Administrators must provide the requested information within 14 days, unless they consider that

- The time involved in preparing the information would be excessive, or
- Disclosure would be prejudicial to the conduct of the Administration or might reasonably be expected to lead to violence against any person, or
- The Joint Administrators are subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days if the Joint Administrators refuse to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

If any creditors have any queries please contact 0161 927 7788