

The Insolvency Act 1986

Administrator's progress report

Name of Company

365 HR Limited

Company number

06664336

In the
High Court of Justice

(full name of court)

Court case number
9246 of 2010(a) Insert full
name(s) and
address(es) of
administrator(s)

We (a)

Martin C Armstrong FCCA FABRP MIPA
Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey
SM1 4LA

James E Patchett FCCA MABRP
Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey

administrators of the above company attach a progress report for the period

From

(b) 18 October 2011

To

(b) 8 February 2012

(b) Insert date

Signed

Joint Administrators

Dated

WEDNESDAY



A138BNMP

A36 22/02/2012 #69

COMPANIES HOUSE

A12PB8ZL

AIQ 14/02/2012 #81

COMPANIES HOUSE



turpin barker armstrong

Corporate Recovery and Insolvency

Allen House
1 Westmead Road
Sutton, Surrey SM1 4LA
Tel 020 8661 7878
Fax 020 8661 0598
E-mail tba@turpinba.co.uk
Internet www.turpinba.co.uk
Also at Sevenoaks

To all known creditors

Our Ref: RAR/MCA/XT118

8 February 2012

Dear Sirs

365 HR Limited (In Administration)

This is my final report on the progress of the administration of the company. My report to creditors follows and it should be read in conjunction with my progress reports to creditors of 25 November 2010, 19 May 2011 and 18 October 2011.

A dividend has not been paid to unsecured creditors in this administration as the funds realised have been used to meet the expenses of the administration

If creditors have any queries regarding this report or the conduct of the administration in general, they should contact Ryan Russell on 020 8661 7878.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Yours faithfully

Martin C Armstrong FCCA FABRP FIPA MBA
Joint Administrator

Encs.

M C Armstrong FCCA FABRP FIPA MBA, A W Payne FFA DipPES, D C Clark FCCA, J E Patchett FCCA FABRP
D A Payne BA (Hons) ACA B I Suckling BSc (Hons) FCCA
Consultant J S Penfold FCA

The firm is registered to conduct audit work in the United Kingdom and M C Armstrong is registered as an Auditor in the United Kingdom by the Association of Chartered Certified Accountants

M C Armstrong and J E Patchett are licensed to act as Insolvency Practitioners in the United Kingdom by the Association of Chartered Certified Accountants

Also at The Old Town Jail, 14-18 London Road, Sevenoaks, Kent TN13 1AJ Tel 01732 450251

We are pleased to support



St Raphael's HOSPICE



365 HR Limited
Joint Administrators' Final Progress Report to Creditors

STATUTORY INFORMATION

Company Name:	365 HR Limited
Previous Name	N/A
Company Number	06664336
Date of Incorporation:	5 th August 2008
Trading Address:	Crown House, Home Gardens, Dartford, Kent DA1 5DZ
Current Registered Office:	Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA
Former Registered Office:	424 Margate Road, Westwood, Ramsgate, Kent CT12 6SR
Principal Trading Activity:	Employment Agency
Joint Administrators	Martin C Armstrong and James E Patchett of Turpin Barker Armstrong
Joint Administrators' address	Allen House, 1 Westmead Road, Sutton, Surrey SM1 4LA
Date of appointment	15 th November 2010
Court Name and Reference	High Court of Justice No 9246 of 2010
Appointment made by:	Director of the company
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.

Creditors agreed for the extension of the administration of the company for a period of six months as proposed in my report dated 18 October 2011.

RECEIPTS AND PAYMENTS ACCOUNT

I have now completed my administration of the company. My Receipts & Payments Account for the period from 15 November 2010 to 8 February 2012 is attached.



ASSETS

Book Debts

As previously reported, the company's book debts were subject to an invoice finance facility with Close Invoice Finance Limited. Following the Administration, Close Invoice Finance Limited discharged its liability from book debt realisations and a surplus of £8,259.87 was received into the administration.

Sale of business and assets

The company's assets were sold to a connected party, Direct 2 Trade Recruitment Limited, immediately following our appointment. Full details of the pre-pack sale with the background to the sale are set out in my earlier reports.

LIABILITIES

Secured Liabilities

A search of the Register at Companies House has revealed that the following security has been granted over the company's assets:

Charge-holder: RBS Invoice Finance Limited
Created 13/01/2009, Registered: 17/01/2009

This is an 'all monies' Fixed & Floating Charge over the undertaking and all property and/or assets present and future including Goodwill and Book Debts.

This charge relates to the invoice finance agreement previously operated by the company. Although this charge is still shown as outstanding at Companies House, this agreement was bought out by Close Invoice Finance Limited prior to the administration and therefore there is no sum due to RBS Invoice Finance Limited.

Charge-holder: Close Invoice Finance Limited
Created: 05/11/2010, Registered: 09/11/2010

This is an 'all monies' Fixed & Floating Charge over the undertaking and all property and/or assets present and future including Goodwill and Book Debts.

This relates to the invoice finance agreement operated by the company. As detailed above, Close Invoice Finance Limited has discharged its liability from book debt realisations and the surplus on the ledger has been received into the administration. Accordingly, there is no liability in respect of this charge.

Preferential Creditors

The statement of affairs did not anticipate any preferential creditors. Accordingly, no preferential claims have been received.

Crown Creditors

The statement of affairs included £252,083.70 owed to HM Revenue & Customs ("HMRC"). HMRC have submitted an initial claim of £286,111.07 in the administration.



Unsecured Creditors

The statement of affairs included 2 unsecured creditors with an estimated total liability of £3,750.60 To date I have not received claims from either creditor.

SUMMARY OF THE JOINT ADMINISTRATORS' PROPOSALS

The following proposals were approved (subject to modification) at a meeting of creditors held on 16 December 2010.

- (a) I continue to manage the business, affairs and property of the company in order to achieve the purpose of the administration In particular that I:
 - (i) collect the company's book debts and deferred consideration;
 - (ii) investigate and, if appropriate, pursue any claims that the company may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the company or any person, firm or company which supplies or has supplied goods or services to the company; and
 - (iii) do all such things and generally exercise all my powers as administrator as I in my discretion consider desirable or expedient in order to achieve the purpose of the administration or protect and preserve the assets of the company or maximise the realisations of those assets, or of any purpose incidental to these proposals.
- (b) If there are insufficient funds to enable a distribution to unsecured creditors, the Administration of the Company will end by filing notice of dissolution with the Registrar of Companies. The Company will then automatically be dissolved by the Registrar of Companies 3 months after the notice is registered.
- (c) the company will move from Administration to Liquidation following collection of the book debts or within 12 months of the date of administration whichever is the sooner. Liquidation may be CVL in accordance with S83 Sch. B1 or compulsory under R4 7 (7) as the Administrator deems appropriate.
- (d) the Administration of the Company will end by making an application to Court for an order that the Administration ceases
- (e) I am remunerated by reference to time properly spent by me and my staff in dealing with matters relating to the administration of the company, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken Details of the current charge out rates for myself and my staff are outlined in Appendix 5 of these proposals.

Creditors will be aware that H M Revenue & Customs ("HMRC") amended the proposals in order to ensure that the Company is placed into Creditors Voluntary Liquidation or Compulsory Liquidation HMRC subsequently agreed that a liquidation procedure was not necessary and the Company could proceed to be dissolved following conclusion of the Joint Administrators' investigations.

STEPS TAKEN DURING THE ADMINISTRATION

Following my appointment I have taken steps to realise the remaining assets of the Company including the book debts and the consideration due from the sale of the business and assets.

I have also spent significant time investigating the affairs of the Company to ascertain whether additional recoveries could be made for the benefit of creditors. Further time has been spent dealing with statutory duties, dealing with creditor enquiries/employee claims, investigating the director's conduct and keeping records of the administration.

OUTCOME

I consider that the purpose of the administration has been achieved as the administration has enabled the secured creditor, Close Invoice Finance Limited, to be discharged in full. There have not been sufficient realisations to enable a distribution to unsecured creditors in this matter.

The Administration of the Company will end by filing notice of dissolution with the Registrar of Companies. The Company will then automatically be dissolved by the Registrar of Companies three months after the notice is registered.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

Transactions from Company's bank account

An analysis of the company's banking records highlighted certain transactions that I considered warranted further investigation. After contacting the company's accountant for further information I can confirm that I have made enquiries of the director in this regard and I am satisfied that these transactions do not require further investigation.

Within six months of my appointment as administrator, I was required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company. I would confirm that my report has been submitted.

PRE-ADMINISTRATION COSTS

On 16th December 2010 the following pre-appointment costs were approved by creditors (and subsequently drawn from asset realisations):

Pre-appointment fees charged by the administrators: £8,759 00

The following agents or professional advisors have been utilised in this matter:

Professional Advisor	Nature of Work	Fee Arrangement
James Owen & Co	Valuer/Auctioneer	Percentage of realisations
Charles Russell LLP	Solicitors	Time costs



Payments have been made to James Owen & Co. of £2,387.50 plus VAT for their assistance with valuing the company's assets and making enquiries of third parties to determine whether there would be any interest in purchasing the business and assets.

The sum of £4,033.20 plus VAT has been paid to Charles Russell LLP, for legal services provided in assisting with placing the company into administration and preparing the sale agreement.

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

JOINT ADMINISTRATORS' REMUNERATION

My remuneration was previously authorised by creditors on 16 December 2010 to be drawn on a time cost basis. My time costs to 8 February 2012 amount to £24,990.50, which have been charged at an average charge out rate of £241.69, of which £3,236.50 was charged in the period between 8 October 2011 and 8 February 2012. I have drawn £15,598.38 to date of which £11 66 was drawn in the period between 18 October 2011 and 8 February 2012. A schedule of my time costs incurred to date is attached.

A description of the routine work undertaken in the administration to date is as follows

1. Administration and Planning
 - Preparing the documentation and dealing with the formalities of appointment.
 - Statutory notifications and advertising.
 - Preparing documentation required.
 - Dealing with all routine correspondence.
 - Maintaining physical case files and electronic case details on IPS case management software.
 - Review and storage.
 - Case bordereau.
 - Case planning and administration.
 - Preparing reports to members and creditors.
 - Convening and holding meetings of members and creditors.
2. Cashiering
 - Maintaining and managing the administrator's cashbook and bank account.
 - Ensuring statutory lodgments and tax lodgment obligations are met.
3. Creditors
 - Dealing with creditor correspondence and telephone conversations.
 - Preparing reports to creditors.
 - Maintaining creditor information on IPS case management software.
 - Reviewing, and adjudicating on if necessary, proofs of debt received from creditors.
4. Investigations
 - Review and storage of books and records.
 - Prepare a return pursuant to the Company Directors Disqualification Act.
 - Conduct investigations into suspicious transactions.
 - Review books and records to identify any transactions or actions an administrator may take against a third party in order to recover funds for the benefit of creditors.

5. Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts
- Liaising with the company's bank regarding the closure of the account.
- Collection of consideration due from the sale of the business and assets

A copy of 'A Creditors Guide to Administrators' Fees' published by the Association of Business Recovery Professionals and 'A Statement of Insolvency Practice 9 (Revised)' together with an explanatory note which shows Turpin Barker Armstrong's fee policy are available at the link <http://www.turpinba.co.uk/services/insolvency/fees.htm>. Please note that there are different versions for cases that commenced before or after 6 April 2010 and in this case you should refer to the post-April 2010 version. A hard copy can be obtained on request from this office.

JOINT ADMINISTRATORS' EXPENSES

My expenses to 8 February 2012 amount to £181 88 No expenses have been incurred in the period between 18 October 2011 and 8 February 2012 I have not been able to draw any expenses in this matter

The following expenses were incurred but have not been paid:

Type of expense	Amount of expense incurred/accrued to date	Amount still to be paid
	£	£
Statutory advertising	61.88	61.88
Bordereau	120.00	120 00

Further details of the expenses in respect of legal costs and agents costs are provided earlier in my report.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the administrator's remuneration and expenses, within 21 days of receipt of this report Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

DIVIDEND PROSPECTS

A dividend has not been paid to unsecured creditors in this administration as the funds realised have been used to meet the expenses of the administration.

As previously advised, the company gave a floating charge to Close Invoice Finance Limited on 5 November 2010 and the prescribed part provisions will apply. On the basis of realisations to date, together with estimated future realisations, and after taking into account the costs of the administration to date, there will be no net property to enable a distribution to unsecured creditors via the prescribed part.



SUMMARY

The administration is now complete and following the notice of dissolution being submitted to the Registrar of Companies I will proceed to close my files.

Should you have any queries regarding this matter please contact Ryan Russell on 020 8661 7878.



Martin C Armstrong FCCA FABRP FIPA MBA
Joint Administrator

The Insolvency Act 1986

Notice of Move from Administration to Dissolution

2.35B

Name of Company

365 HR Limited

Company number

06664336

In the High Court of Justice
Chancery Division (Company Insolvency)Court case number
9246 of 2010(a) Insert
name(s) and
address(es) of
administrator(s)

I/We (a) Martin C Armstrong FCCA FABRP FIPA
Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey
SM1 4LA

James E Patchett FCCA MABRP
Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey
SM1 4LA

(b) Insert name of
company and
address of
registered office

having been appointed administrator(s) of (b) 365 HR Limited, Allen House, 1 Westmead Road,
Sutton, Surrey, SM1 4LA

(c) Insert date of
appointment
(d) Insert name of
applicant/appointor

on (c) 15 November 2010 by (d) The directors

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986
I attach a copy of the final progress report

Signed

Dated

Joint / Administrator(s)

Contact Details:

You do not have to give any contact
information in the box opposite but if
you do, it will help Companies Registry 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

Martin C Armstrong FCCA FABRP FIPA MBA
Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey
SM1 4LA

DX Number

020 8661 7878
DX Exchange

When you have completed and signed form please send it to the Registrar of Companies at the Companies Registry for Northern Ireland

The Insolvency Act 1986
Administrator's progress report

Name of Company
365 HR Limited

Company number
06664336

In the
High Court of Justice
(full name of court)

Court case number
9246 of 2010

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

We (a)
Martin C Armstrong FCCA FABRP MIPA
Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey
SM1 4LA

James E Patchett FCCA MABRP
Turpin Barker Armstrong
Allen House
1 Westmead Road
Sutton
Surrey

administrators of the above company attach a progress report for the period

(b) Insert date

From
(b) 18 October 2011

To
(b) 8 February 2012

Signed

Joint Administrators

Dated


8 February 2012

365 HR Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 18/10/2011 To 08/02/2012	From 15/11/2010 To 08/02/2012
	FIXED CHARGE ASSETS		
70,137 00	Book Debts	NIL	NIL
15,000 00	Goodwill	NIL	15,000 00
		NIL	15,000 00
	FIXED CHARGE CREDITORS		
(60,555 00)	Close Invoice Finance Limited	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
500 00	Office Furniture & IT Equipment	NIL	500 00
5,000 00	Client Database	NIL	5,000 00
2,000 00	Temp Database	NIL	2,000 00
	Book Debt Surplus	NIL	8,259 87
	Gross Bank Interest	0 02	25 64
		0.02	15,785 51
	COST OF REALISATIONS		
	Agents'/Valuers' Fees	NIL	2,387 50
	Legal Fees	NIL	4,033 20
		NIL	(6,420 70)
	COST OF ADMINISTRATION		
	Corporation Tax	NIL	5 10
	Non-recoverable VAT	2.33	2 33
	Pre Administrators' Fees	NIL	8,759 00
	Post Administrators' Fees	11.66	15,598 38
		(13 99)	(24,364 81)
	UNSECURED CREDITORS		
(3,751 00)	Trade & Expense Creditors	NIL	NIL
(152,285 00)	HM Revenue & Customs - PAYE/NI	NIL	NIL
(7,764 00)	HM Revenue & Customs - CT	NIL	NIL
(92,035 00)	HM Revenue & Customs - VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(20 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(223,773.00)		(13.97)	0.00

REPRESENTED BY

NIL


 Martin C Armstrong FCCA FABRP MIPA
 Joint Administrator

Time Entry - SIP9 Time & Cost Summary

XT0118 - 365 HR Limited
Project Code POST
From 15/11/2010 To 08/02/2012

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	6 10	4 10	7 70	27 30	45 20	10,158 50	224 75
Case Specific Matters	0 30	0 00	0 00	6 40	6 70	1,109 50	165 60
Creditors	4 40	0 00	0 00	12 20	16 60	4,016 00	241 93
Investigations	8 70	0 00	0 00	14 10	22 80	6,205 50	272 17
Marketing	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Non Chargeable	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	5 40	0 00	0 00	6 70	12 10	3,501 00	289 34
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	24 90	4 10	7 70	66 70	103 40	24,990 50	241 69
Total Fees Claimed						15,598 38	
Total Disbursements Claimed						0 00	

Time Entry - SIP9 Time & Cost Summary

XT0118 - 365 HR Limited
Project Code POST
From 08/10/2011 To 08/02/2012

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.70	3.10	0.00	2.20	6.00	1,417.50	236.25
Case Specific Matters	0.00	0.00	0.00	0.50	0.50	90.00	180.00
Creditors	0.40	0.00	0.00	4.30	4.70	944.00	200.85
Investigations	1.00	0.00	0.00	2.00	3.00	785.00	261.67
Marketing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Chargeable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	2.10	3.10	0.00	9.00	14.20	3,236.50	227.92
Total Fees Claimed						15,598.38	
Total Disbursements Claimed						0.00	

365 HR Limited – In Administration

The Joint Administrators' formal proposals are.

- (a) I continue to manage the business, affairs and property of the company in order to achieve the purpose of the administration. In particular that I
 - (i) collect the company's book debts and deferred consideration,
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 - (iii) do all such things and generally exercise all my powers as administrator as I in my discretion consider desirable or expedient in order to achieve the purpose of the administration or protect and preserve the assets of the company or maximise the realisations of those assets, or of any purpose incidental to these proposals.
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- (c) the company will move from Administration to Liquidation following collection of the book debts or within 12 months of the date of administration whichever is the sooner. Liquidation may be CVL in accordance with S83 Sch B1 or compulsory under R4.7 (7) as the Administrator deems appropriate.
- (d) the Administration of the Company will end by making an application to Court for an order that the Administration ceases.
- (e) I am remunerated by reference to time properly spent by me and my staff in dealing with matters relating to the administration of the company, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken. Details of the current charge out rates for myself and my staff are outlined in Appendix 5 of these proposals.