

The Insolvency Act 1986

Administrator's progress report

Name of Company

Allanfield Group Plc

Company number

07652397

In the

The High Court of Justice

Court case number

9587 of 2012

We

Jason Daniel Baker
FRP Advisory LLP
10 Furnival Street
London
EC4A 1AB

Philip Lewis Armstrong
FRP Advisory LLP
10 Furnival Street
London
EC4A 1AB

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

From

27 December 2012

To

26 June 2013

Signed



Joint Administrator

Dated

25 July 2013

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

Jason Daniel Baker
FRP Advisory LLP
10 Furnival Street
London
EC4A 1AB

DX Number

020 3005 4000
DX Exchange

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



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COMPANIES HOUSE

TUESDAY



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To All Creditors

your ref:

our ref: A1277LON/AO081/J

date: 25 July 2013

Please ask for: Dominic Roberts

Dear Sirs

**ALLANFIELD GROUP PLC
(IN ADMINISTRATION) ("THE COMPANY")
IN THE HIGH COURT OF JUSTICE NO. 9587 of 2012**

Further to my appointment as Joint Administrator on 27 December 2012, I provide my progress report on this administration for the period 27 December 2012 to 26 June 2013 ("the period") in accordance with Rules 2.47 of the Insolvency Rules 1986.

I attach:

- Appendix A - Statutory information regarding the Company and the appointment of the Administrators
- Appendix B - Details of my firms' time costs and disbursements
- Appendix C - Statement of expenses
- Form 2 24B - Formal notice of the progress report

1. The Administrators' Proposals

1.1 The objectives of the administration were -

- A To rescue the Company as a going concern, failing which
- B To achieve 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), failing which
- C To realise property in order to make a distribution to one or more secured or preferential creditors

1.2 Objective A cannot be achieved as trading of the subsidiaries ceased on 19 December 2012 and due to the prospect that there may be a low level of realisations it is expected that objective B will also not be achieved. As such, it is expected that objective C will be achieved, to realise property in order to make a distribution to one or more secured or preferential creditors

1.3 The proposals included a statement in accordance with Paragraph 52 of Schedule B1 to the Insolvency Act 1986 and therefore the administrators were not required to convene a meeting of creditors

1.4 A summary of the Joint Administrators proposals, which were deemed to have been approved on 5 March 2013, is given below

- a) The Joint Administrators will continue to realise the assets of the Company.

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- b) The Company may be placed into liquidation if appropriate. The proposed Liquidators are to be Jason Daniel Baker and Philip Lewis Armstrong
- c) If the Company has no property which might permit a distribution to its unsecured creditors, or if they also consider that an exit from the administration into liquidation is not appropriate, the Administrators will send a notice to the Registrar of Companies and three months after the filing of the notice the Company will be dissolved
- d) As the Joint Administrators consider that the Company has insufficient property to enable a distribution to be made to the unsecured creditors, the following sections of the Administrators' proposals, will require the consent of each secured creditor
 - (i) The Joint Administrators' fees plus VAT should be approved on a time cost basis charged at the charge out rates prevailing at the time the work is undertaken; to be drawn when the Joint Administrators' see fit. A schedule of current charge out rates is set out in Appendix B
 - (ii) Mileage can be recharged and drawn at the HMRC approved mileage rate prevailing at the time the mileage was incurred.
 - (iii) The Joint Administrators' discharge from liability shall take effect in accordance with Paragraph 98 of Schedule B1 to the Act 30 days following either the Company entering into liquidation or filing the notice of moving from administration to dissolution

2. Progress of the Administration

- 2.1 No receipts or payments have been received or made
- 2.2 The Company did not trade and did not own any tangible assets. It operated from leasehold premises and there is no value in the lease
- 2.3 Part of my duties include carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. I am continuing my investigations in this regard. As the investigation is on-going I have not disclosed further information at this stage

3. Outcome for Secured Creditor

- 3.1 At the date of appointment Coutts Bank was owed approximately £2.6m in accordance with a credit facility granted to the Company. It is expected that Coutts Bank will suffer a significant shortfall.

4. Outcome for Preferential Creditors

- 4.1 There were no employees and as such there are no preferential creditors

5. Outcome for Unsecured Creditors & Prescribed Part

- 5.1 The Administrators have considered the possibility of a prescribed part for unsecured creditors under S176A of the Insolvency Act 1986. A prescribed part may be applicable in this case but its sum, if any, is dependent on the quantum of the realisations and the costs of the administration.
- 5.2 The statement of affairs indicates that, subject to costs, a dividend will not be available to unsecured creditors.

6. Administrators' Pre-Appointment Costs

- 6.1 As the Joint Administrators considered that the Company has insufficient property to enable a distribution to be made to the unsecured creditors, the Administrators' pre appointment costs of £15,773.42 require the consent of each secured creditor. Approval has been requested from Coutts Bank as the secured creditor in accordance with Rule 2.67A (3) of the Insolvency Rules 1986.

7. Administrators' Remuneration, Disbursements and Expenses

- 7.1 Turning to our own costs in this matter, our remuneration as Administrators is based on computerised records of all time spent on the administration of this case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of 6 minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory LLP charge out rates are included at Appendix B. A breakdown of our time costs incurred during the period of this report, in accordance with Statement of Insolvency Practice 9 is set out at Appendix B.
- 7.2 The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursement incurred during the period of this report are set out in Appendix B.
- 7.3 In accordance with Rule 2.106(5A) it falls to the secured creditor to agree the basis of the Joint Administrators remuneration.
- 7.4 I attach at Appendix C a statement of expenses that have been incurred during the period covered by this report.
- 7.5 Creditors have a right to request further information from the Administrators under Rule 2.48A of the Insolvency Rules 1986 and further have a right to challenge the Administrators' remuneration and other expenses, which are first disclosed in this report, under Rule 2.109 of the Insolvency Rules 1986. (For ease of reference these are the expenses incurred in the reporting period as set out in Appendix C only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frpadvisory.com/fees-guide.html> and select the one for administrations. Alternatively a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

If you have any queries about this report or the progress of the administration, please do not hesitate to contact Dominic Roberts at this office.

Dated 25 July 2013



Jason Baker
Joint Administrator

Licensed in the United Kingdom by the Institute of Chartered Accountants in England & Wales

The Joint Administrators act as agents of the Company and without personal liability.

The affairs, business and property of the Company are being managed by Jason Daniel Baker and Philip Lewis Armstrong who were appointed Joint Administrators on 27 December 2012.

Allanfield Group Plc

Statutory Information

ADMINISTRATION DETAILS:

Date of notice of intention to appoint Administrators presented to Court.	17 December 2012
Consent to the notice to appoint an Administrator provided by the qualifying charge holder as follows	18 December 2012
Names of Joint Administrators	Jason Daniel Baker and Philip Lewis Armstrong
Address of Joint Administrators.	FRP Advisory LLP 10 Furnival Street London EC4A 1AB
The appointment of the Joint Administrators included a declaration that they are acting jointly or severally as Administrators of the Company	
Date of appointment of Administrators	27 December 2012
Court in which administration proceedings were brought.	The High Court of Justice
Court reference number	9587 of 2012
Application for administration order made by	Mr Darryl Noik, Director
Date of deemed approval of Administrators Proposals	5 March 2013
The EC Regulation on Insolvency Proceedings will apply in this matter and accordingly the Administration will constitute main proceedings	

COMPANY DETAILS:

Date of incorporation	31 May 2011
Company number	07652397
Registered office	10 Furnival Street London EC4A 1AB
Previous registered offices and trading addresses	62 Margret Street London W1W 8TF 99 Heath Street London NW3 6ST

Directors

Mr Darryl Noik
Mr Gary Field
Mr Harvey Soning
Mr John Dembitz
Mr Simon Harding
Mr Tim Allan

Company secretary

Mr Darryl Noik

The directors have the following shareholdings of £0.01 shares in the Company -

Name	Shares	Type	Percentage shareholding
Mr Gary Field	3,702,736	Ordinary	22
Mr Tim Allan	2,043,242	Ordinary	12
Mr Darryl Noik	549,751	Ordinary	4
Mr Simon Harding	338,308	Ordinary	2
Mr Gary Field	1,614,791	Deferred	19
Mr Tim Allan	930,349	Deferred	11
Mr Darryl Noik	53,982	Deferred	1

Extracts from the consolidated financial statements for the group are summarised below -

Period Ended	Turnover	Gross Profit	Net Profit/ (Loss)	Dividend paid	P & L a/c c/fwd
	£'000	£'000	£'000	£'000	£'000
Y/E 31.12.2011	2,228	(364)	(476)	Nil	531
Y/E 31.12.2010	1,513	716	508	300	1,007



APPENDIX B

Allanfield Group Plc (In Administration)

Time charged for the period 27 December 2012 to 26 June 2013

	Partner	Manager	Other Professional	Support	Total Hours	Total Cost £	Average Hourly Rate £
Administration and Planning		4.70	13.00	1.30	19.00	4,755.50	250.29
Case Control and Review		1.25	2.60		3.85	997.00	258.96
Case Accounting - General		0.20	0.80	1.30	2.30	541.50	235.43
General Administration		3.25	8.60		11.85	2,997.00	252.91
Fee and WIP			1.00		1.00	220.00	220.00
Asset Realisation		2.25	1.60		3.85	1,117.00	290.13
Asset Realisation			1.20		1.20	264.00	220.00
Freehold/Leasehold Property		1.75			1.75	595.00	340.00
Legal-asset Realisation		0.50			0.90	258.00	286.67
Creditors		1.50	11.15		13.65	3,535.50	259.01
Unsecured Creditors	1.50		2.80		4.30	1,358.50	315.93
Secured Creditors	1.50	0.50	0.40		0.90	258.00	286.67
Employees			0.75		0.75	165.00	220.00
Landlord			5.10		5.10	1,122.00	220.00
Shareholders		0.50	2.10		2.60	632.00	243.08
Investigation		0.50	1.70	6.00	8.20	2,464.00	300.49
Investigatory work - Other			0.80	6.00	6.80	2,096.00	308.24
Legal - Investigations		0.50	0.10		0.60	192.00	320.00
CDDA Enquires			0.80		0.80	176.00	220.00
Statutory Compliance		0.85	30.00		37.50	9,281.75	247.51
Statutory Compliance - General		0.65	17.80		18.45	4,137.00	224.23
Statutory Reporting/ Meetings	0.85	6.00	5.60		12.45	3,692.75	296.61
Bonding/ Statutory Advertising			0.30	0.30	0.60	66.00	220.00
Statement of Affairs			6.30		6.30	1,386.00	220.00
Total Hours	2.35	15.10	57.45	7.30	82.20	21,153.75	257.34

Disbursements for the period 27 December 2012 to 26 June 2013

	Value £
Company Search	8.00
Meeting	9.60
Postage	87.78
Sundries/General	262.51
Bonding	20.00
Grand Total	387.89

Mileage is charged at the HMRC rate prevailing at the time the cost was incurred

FRP Charge out rates

Grade	At
Partner	1st July 2012
Manager	275-495
Other Professional	225-455
Support	85-275
	70-320

APPENDIX C

ALLANFIELD GROUP PLC (IN ADMINISTRATION)

STATEMENT OF EXPENSES FOR THE 6 MONTH PERIOD ENDED 26 JUNE 2013

Expenses	Notes (1)	Costs committed to but not yet paid at reporting date £	Total Expenses for the 6 months ended 26 June 2013 £
Administrators' remuneration	(1)	21,153.75	21,153.75
Administrators' disbursements		387.89	387.89
Legal fees		5,000.00	5,000.00
Irrecoverable VAT	(1)	5,308.33	5,308.33
Total		31,849.97	31,849.97

Notes

- 1 This figure relates to time costs charged to the Administration but not billed. Some apportionment to the client account may be required where work has overlapped.
- 2 The costs shown above exclude VAT which is shown separately. As the Company was a holding company for insurance broker subsidiaries VAT is not recoverable.
- 3 These relate to costs incurred wholly in relation to the client account and will be recoverable from the client account as an expense of the client account. Additional accrued costs have not been shown in relation to the client account.