

# 2.24B

The Insolvency Act 1986

## Administrator's progress report

Name of Company
Ribseam Limited

Company number
05001249

In the Croydon County Court <small>(full name of court)</small>
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Court case number 62 of 2009
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(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)  
 Jeremy Frost  
 Frost Group Limited  
 Square Root Business Centre  
 102 Windmill Road  
 Croydon  
 Surrey, CR0 2XQ

Dorothy Avice Brown  
 Frost Group Limited  
 Logic House  
 31 Black Moor Road  
 Verwood, Dorset  
 BH31 6BB

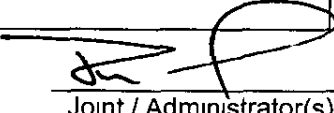
administrator(s) of the above company attach a progress report for the period

(b) Insert date

From (b) 15 November 2009
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To (b) 11 May 2010
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Signed

  
 Joint / Administrator(s)

Dated

11 May 2010

### 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

Jeremy Frost Frost Group Limited Square Root Business Centre 102 Windmill Road Croydon Surrey, CR0 2XQ
DX Number
0208 665 4284 DX Exchange



\*AZ4SFJY1\*  
 A10 13/05/2010 39  
 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**

**RIBSEAM LIMITED (IN ADMINISTRATION)**

**FINAL REPORT TO CREDITORS PURSUANT TO RULE  
2 47 OF THE INSOLVENCY RULES 1986 (AS AMENDED)  
DATED 11 May 2010**

Croydon County Court

NO 62 of 2009

**FROST BUSINESS RECOVERY  
SQUARE ROOT BUSINESS CENTRE  
102 WINDMILL ROAD  
CROYDON  
CR0 2XQ**

## **Glossary**

Joint Administrators      Jeremy Charles Frost and Dorothy Avice Brown of Frost Group Limited t/a Frost Business Recovery, Square Root Business Centre, 102 Windmill Road, Croydon, Surrey CR0 2XQ

Company                      Ribseam Limited  
Registered Office Square Root Business Centre, 102 Windmill Road, Croydon, CR0 2XQ  
Registration number 05001249

## **Administrator's Appointment**

As you are aware, my colleague Dorothy Avice Brown and I were appointed Joint Administrators of Ribseam Limited ("the Company") on 15 May 2009, by the Directors of the Company, in accordance with Paragraph 22 of Schedule B1 of the Insolvency Act 1986

The proceedings are conducted in the Croydon County Court under case reference 62 of 2009

This report should be read in conjunction with my statement of proposals and report to creditors dated 3 July 2009

## **The Joint Administrators' Proposals**

The Joint Administrators' Proposals were issued in our report of 3 July 2009, a copy of which is before the Court

The creditors' meeting was held on 22 July 2009 and the Joint Administrators' proposals were approved without modifications at that meeting. Notice of the results of the creditors meeting was circulated to all known members and creditors on 22 July 2009

## **Receipts and Payments**

I attach, as Appendix A to this report, a summary of my receipts and payments account for the period from the date of last progress report to 11 May 2010. You will note that the account shows the assets realised and the value received, the costs incurred in the Administration and any payments have been made to creditors and others

We trust that you find this summary self-explanatory

Further detail is provided below

## **Progress of the Administration**

As detailed in the Proposals, the purpose of Administration, as defined under the provisions of Paragraph 3 of Schedule B1 of the Insolvency Act 1986 (as amended), is for the Joint Administrators to perform their functions with the following objectives

- a) Rescue the Company as a going concern, or
- b) Achieve a better result for the Company's Creditors as a whole than would be likely if the Company were wound up, or if it is not possible
- c) To realise property in order to make a distribution to one or more preferential creditors

The Joint Administrators have achieved sales of all the Company's assets as listed under the assets realisation section below

Realisations have been maximised and liabilities reduced resulting in a better return to creditors as a whole. Accordingly objective (b) has been achieved

**It was proposed that Jeremy Charles Frost and Dorothy Avice Brown of Frost Business Recovery, Square Root Business Centre, 102 Windmill Road, Croydon, CR0 2XQ, the Joint Administrators become the Joint Liquidators of the Company. Under paragraph 83(7) of the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 2003 that creditors may nominate a different person to act as liquidator, provided that the nomination is made after receipt of the proposal and before the proposal are approved.**

**As no other nomination was received from the Creditors, Jeremy Charles Frost and Dorothy Avice Brown will be the Joint Liquidators.**

### **1. ASSET REALISATION**

The Statement of Affairs filed by the Directors shows the book value of assets as detailed below. This is compared with the realisations achieved to-date in accordance with current best practice

<b>Assets</b>	<b>Book Value</b>	<b>Estimated to Realise</b>	<b>Realisations to date</b>
	£	£	£
Leasehold Property	11,102 00	Nil	Nil
Plant & Machinery	8,496 00	5,000 00	13,500 00
Furniture & Equipment	11,229 00	8,500 00	
Motor Vehicles	1 00	2,500 00	2,500 00
Stock	60,000 00	5,000 00	20,000 00
Work in progress	365,000 00	180,000 00	18,467 09
Book Debts	28,676 47	9,154 92	985 83
Cash at Bank	86,085 00	86,085 00	91,989 19
Retentions	109,567 02	40,000 00	8,061 74
Directors loans	22,105 00	22,105 00	4,030 87
<b>Total</b>	<b>£702,261 49</b>	<b>£358,344 92</b>	<b>£159,534 72</b>

### 1.1 Company's tangible assets

Creditors will recall that my agent, Daryl Taylor of Messrs Southern Insolvency Agents, was instructed to value and sell the Company's tangible assets to Ridlands Limited

This was completed on 18 December 2009 for a total of £36,000. The consideration was broken down as follows

	£
Plant & Machinery	5,000
Furniture & Equipment	8,500
Stock	20,000
Motor Vehicle	<u>2,500</u>
<b>Total</b>	<b><u>£36,000</u></b>

Ridlands Limited is connected to the Company by virtue of having the same shareholders and directors

### 1.2 Book Debts

The directors Statement of affairs showed that the Company had outstanding book debts with an estimated to realise value of £9,154 92

Since our appointment we have realised £985 83 in total and the outstanding book debts remain irrecoverable

### **1.3 Contracts assigned to Ridlands Limited (“Work in progress”)**

Ten Contracts were novated to Ridlands Limited on 18 May 2009 (detailed as work in progress in the Statement of Affairs) with a book value of £365,000 and an anticipated value to collect of £265,000 as at the novation date of 18 May 2009. These contracts were to be completed by Ridlands Ltd, who would then share with the Company 50% of any profits made on the contact. To date the Joint Administrators have received £18,467 09

Ridlands Limited have advised that they have not been allowed to complete a number of the contracts, however they now estimate to realise a further £101,850 after costs from the remaining contacts and to release to the Company £50,925 being 50% of this profit

The outstanding balance in respect of the collection of the assigned contracts will be monitored and collected in the Liquidation

### **1.4 Directors’ Loan**

Directors Loans estimated to realise approximately £22,105 per the Statement of Affairs

Following a meeting with the directors on 16 February 2010 it was agreed that this will be partly settled from commissions due to the directors in relation to collection of retentions monies as mentioned in 1.5 below

To date the Joint Administrators have allocated 50% of the money received in respect of retention monies, which is £4,030 87. Any remaining balance will be made payable by them personally

### **1.5 Retentions**

The directors Statement of affairs showed that the Company had outstanding book debts with an estimated to realise value of £40,000

Due to the complex nature of this asset, the directors were instructed to collect the retentions on behalf of the Company. A commission of 50% of realisations was agreed. To-date £8,061 74 has been realised from this source

The outstanding balance in respect of the collection of retentions will be monitored and collected in the Liquidation. It is understood from the latest information received from Ridlands Ltd that the amount currently outstanding on Retentions are anticipated to be around £36,917

## **1 6 Bank Interest**

Where possible all funds have been held by the Joint Administrators on interest bearing accounts in order to maximise the level of realisations. Bank interest received to date amounts to £6 50 net of tax.

## **2. PAYMENTS**

### **2 1 Agents/Valuers fees**

As indicated above Messrs Southern Insolvency Agents assisted with the valuation and sale of the Company's assets. Their fees in this regard was £8,840 Plus VAT. This has been paid in full.

### **2.2 Agents Commission/Third Party Commission**

Messrs Southern Insolvency Agents and Ridlands Ltd, who assisted with the sale of the panels received commission in the sum of £1,500 and £1,000 respectively.

### **2.2 Other Expenses**

These were paid out of the Administration realisations and include, an Insolvency Practitioners bond fee and insurance of assets in the sum of £480 and £283 87 respectively, storage costs of £7,000 and statutory advertisement totalling £257 16. There are also Courier Delivery fees in order to retrieve the books and records of the Company of £12 and collection costs to arrange removal of panels in the sum of £2,000.

These costs are classified as category 1 expenses under the Statement of Insolvency Practice 9 and hence no authorisation was required before they were paid.

### **Administrators' Remuneration and expenses**

The creditors resolved at the creditors' meeting held on 22 July 2009 that the Joint Administrators' remuneration be based on the time properly incurred by the Joint Administrators and his staff in carrying out their functions. The Joint Administrators were further authorised to draw those fees from the funds under their control.

At Appendix 2 to this report I attach details of the time expended to date, as required by the Statement of Insolvency Practice 9.

You will note from Appendix 2 that the Administrator has incurred time costs to date of £69,669 25, and I can confirm that £69,033 50 has been drawn in accordance with the Creditors' resolution

### 3. CREDITORS

#### 3.1 Creditors Claims

The Statement of Affairs shows liabilities as follows -

	£
<b>Secured Creditor</b>	Nil
<b>Preferential Creditors</b>	Nil
<b>Unsecured Creditors</b>	
- Trade Creditors	708,249 04
- Inland Revenue	17,109 30
- Customs & Excise	71,478 00

A preferential claim of £5,411 66 has been received from the Redundancy Payments of the Insolvency Service. We have also become aware that employees may also have a further preferential claims totalling £4,904 98. We are now proceeding to adjudicate the claims of preferential creditors, and expect that these claims will be paid a dividend of 100p in the £.

The quantum and timing of distributions to the unsecured creditors is heavily dependant on the recoverability of work in Progress and retention monies. Although we remain confident, it is too early to tell how this exercise will go. Any distributions will only be payable once the Company is placed into Liquidation as detailed in the Proposals.

#### **Joint Administrators' Investigations**

As you may be aware an Administrator has a duty to investigate generally the affairs of an insolvent company to determine its property and liabilities and to consider taking recovery actions or taking actions seeking financial restitution for losses caused to the Company. In addition, an Administrator is also required to consider the conduct of the company's directors under the Directors Disqualification Act 1986 and to make an appropriate submission to the Department of Trade and Industry. The contents of such a report are confidential. We can however confirm that we have discharged our duties in this regard.



**Other Matters**

There is a litigation procedure in place against Crystal Units Ltd in respect of three outstanding claims as at the commencement of Administration

Messrs Carrick Read Solicitors were instructed to deal with the litigation procedure. The trial was listed for 12 March 2010, however it was to be vacated to allow the single joint expert to determine liability and quantum

Messrs Carrick Read are also instructed in respect of another claim, which was against Banner Holdings Limited in the sum of £98,983

The progress of the above litigation procedure will be monitored in the Liquidation

**Conclusion of the Administration**

Following the exit strategy set out in our proposals dated 3 July 2009 the Company will be placed into Creditors Voluntary Liquidation

A handwritten signature in black ink, consisting of a large, stylized loop followed by a horizontal line extending to the left and a smaller loop below it.

Jeremy Charles Frost FABRP MIPA  
**Former Administrator**

**Appendix 1**

**RIBSEAM LTD - IN ADMINISTRATION**

**Joint Administrator's Abstract of Receipts & Payments**

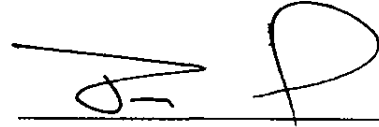
**Ribseam Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs	From 15/11/2009 To 11/05/2010	From 15/05/2009 To 11/05/2010
<b>ASSET REALISATIONS</b>		
NIL	NIL	NIL
5,000 00	NIL	NIL
8,500 00	NIL	13,500 00
2,500 00	NIL	2,500 00
5,000 00	15,000 00	20,000 00
180,000 00	NIL	NIL
9,154 92	NIL	985 83
	NIL	325 40
86,085 00	NIL	91,989 19
	NIL	562 08
	50 28	50 28
	6 50	6 50
	4,030 87	4,030 87
40,000 00	8,061 74	8,061 74
22,105 00	NIL	NIL
	18,467 09	18,467 09
	<u>NIL</u>	<u>47 34</u>
	45,616 48	160,526 32
<b>COST OF REALISATIONS</b>		
	NIL	480 00
	NIL	7,000 00
	26,650 00	69,033 50
	NIL	8,880 45
	1,500 00	1,500 00
	5,030 87	5,030 87
	7,000 00	7,000 00
	NIL	257 16
	2,000 00	2,000 00
	NIL	283 87
	12 00	12 00
	<u>(42,192 87)</u>	<u>(101,477 85)</u>
<b>UNSECURED CREDITORS</b>		
(708,249 04)	NIL	NIL
(17,109 30)	NIL	NIL
(71,478 00)	<u>NIL</u>	<u>NIL</u>
	NIL	NIL
<b>DISTRIBUTIONS</b>		
(1,000 00)	<u>NIL</u>	<u>NIL</u>
	NIL	NIL
<b>(439,491 42)</b>	<b><u>3,423 61</u></b>	<b><u>59,048 47</u></b>
<b>REPRESENTED BY</b>		
		1,723 75
		635 21
		62,098 30
		<u>(3,231 74)</u>

Suspense Account - Ridlands

(2,177 05)

59,048.47

A handwritten signature in black ink, appearing to be 'J Frost', written over a horizontal line.

Jeremy Frost  
Joint Administrator

**Appendix 2**

**RIBSEAM LTD- IN ADMINISTRATION**

**Joint Administrator's time costs to-date**

**Frost Group Limited**

TIME & CHARGEOUT SUMMARIES (POST)

Ribseam Limited

To 11/05/2010

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	8 70	3 40	10 43	141 20	163 73	25,284 75	154 43
Investigations	0 90	0 00	19 25	2 20	22 35	3,986 25	178 36
Realisation of Assets	8 00	0 70	12 50	30 30	51 50	9,970 50	193 60
Trading	0 00	0 00	0 00	0 10	0 10	29 50	295 00
Creditors	7 10	0 00	0 25	68 10	75 45	12,667 00	167 89
Special	6 15	0 05	40 00	55 50	101 70	17,731 25	174 35
Total Fees Claimed £	8,995 00	931 25	14,769 00	44,974 00		69,669 25	
Total Hours	30 85	4 15	82 43	297 40	414 83		
Average Rate	291 57	224 40	179 17	151 22			