

The Insolvency Act 1986

**Notice of court order ending  
administration****2.33B**

Name of Company

ADB (International) Ltd

Company number

2763764

In the  
High Court Of Justice Birmingham

(full name of court)

Court case number  
8508 of 2011(a) Insert full  
name(s) and  
address(es) of  
administrator(s)I (a)  
Kevin J Hellard  
Grant Thornton UK LLP  
30 Finsbury Square  
London  
EC2P 2YU(b) Insert name and  
address of the  
registered office of  
companyhaving been appointed administrator of (b) ADB (International) Ltd  
30 Finsbury Square London(c) Insert date of  
appointmenton (c) 27 October, 2011  
by (d) High Court Of Justice Birmingham(d) insert name of  
appointor/applicanthereby give notice that the court has ordered that the administration shall end on (e) 20 October  
2015

I attach to this notice a copy of the final progress report

Signed

Administrator

Dated

7/12/15

**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  
formThe contact information that you give  
will be visible to searchers of the  
public recordKevin J Hellard  
Grant Thornton UK LLP  
4 Hardman Square  
Spinningfields  
Manchester  
M3 3EBTel/Fax  
DX ExchangeWhen 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**

THURSDAY



\*A4LY4NRD\*

A04

10/12/2015

#122

COMPANIES HOUSE

**IN THE HIGH COURT OF JUSTICE  
CHANCERY DIVISION  
BIRMINGHAM DISTRICT REGISTRY**

A04

10/12/2015  
COMPANIES HOUSE

#124

**Nos: 8508 of 2011 and 6461 of 2015**

**BEFORE: His Honour Judge Cooke  
DATED: 20<sup>th</sup> October 2015**

**IN THE MATTER OF ADB (INTERNATIONAL) LTD (in administration)  
AND IN THE MATTER OF THE INSOLVENCY ACT 1986**



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**ORDER**

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**UPON** the application of Kevin John Hellard, the Administrator of ADB (International) Ltd, company number 02763764 ("the Administrator" and "the Company" respectively) dated 16 September 2015 for the administration of the Company to come to an end ("the Administration Application")

**AND UPON** the petition of ADB (International) Ltd (in administration) by its Administrator, Kevin John Hellard, of Grant Thornton UK LLP, 30 Finsbury Square, London EC2P 2YU for the compulsory winding up of the Company presented to this Court on 16 September 2015 ("the Petition")

**AND UPON** reading the second witness statement of John Bradshaw, dated 9 October 2015, filed in respect of the Administration Application, and the witness statement of Sarah Joan Mower, dated 15 September 2015, in respect of the Petition

**AND UPON** the Court considering that no further directions are necessary for the final disposal of the Petition

**AND UPON** the Court being satisfied on the evidence that the EC Regulation on Insolvency Proceedings does apply and these are main proceedings as defined in Article 3 of the EC Regulation on Insolvency Proceedings and that it is just and equitable for the Company to be placed into compulsory liquidation

**AND UPON** hearing Counsel for the Administrator

**IT IS ORDERED THAT:-**

- 1 The appointment of the Administrator as administrator of the Company shall cease to have effect forthwith
- 2 The said ADB (International) Ltd, company number 02763764, be wound up by this Court under the provisions of the Insolvency Act 1986.
- 3 The Administrator, Kevin John Hellard of Grant Thornton UK LLP, 30 Finsbury Square, London EC2P 2YU, be appointed Liquidator of the Company
- 4 The Administrator be discharged from liability pursuant to paragraph 98 of Schedule B1 of the Insolvency Act 1986 on the date 2 calendar months after the date on which he files his Final Progress Report pursuant to the requirements of r.2.116 Insolvency Rules 1986
- 5 The costs and expenses of the Administration shall be charged on and payable out of the assets of the Company pursuant to the provisions of paragraph 99(3) of Schedule B1 of the Insolvency Act 1986
- 6 The Administrator's costs of the Administration Application be treated and paid as an expense in the administration.
- 7 The Administrator's costs of the Petition be treated and paid as an expense in the liquidation

Dated this 20<sup>th</sup> day of October 2015

HHJ David Cooke



# Grant Thornton

Our Ref KJH/TPB/KZE/CES/A00854/  
Your Ref

To the creditors

Recovery and Reorganisation

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3 September 2015

Dear Sirs

**ADB (International) Ltd - In Administration  
High Court Of Justice Birmingham  
No 8508 of 2011**

**1 Introduction**

I was appointed as joint administrator of the above Company together with Mr Stephen Hunt of Grifflins, by an Order of the High Court of Justice on 8 March 2013, in place of Mr Costas Morfakis of Axiom Recovery LLP. Mr Morfakis was originally appointed as administrator by the directors of the Company on 23 December 2011, pursuant to paragraph 22 of Schedule B1 of the Insolvency Act 1986. Mr Morfakis was removed as administrator by Order of the High Court of Justice on 8 March 2013. Stephen Hunt resigned as joint administrator on 27 November 2013.

1.1 I am now in a position to present a progress report with respect to this matter and attach

- Form 2.24B, together with an account of the administrator's receipts and payments from 2 February 2015 to 1 August 2015, and receipts and payment account from 27 October 2011 to 8 March 2013, which relates to the previous officeholders tenure, in accordance with Rule 2.47 of the Insolvency Rules 1986,
- a statement of the remuneration charged by the joint administrators in the period and a statement of expenses incurred in the period,
- an analysis of the joint administrators time costs to date as required by Statement of Insolvency Practice 9,
- an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator (Rule 2.48A),
- an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses, if excessive (Rule 2.109)

- 1 2 Please note the receipts and payments account contains figures obtained from Mr Morfakis computerised records which have been summarised but not been verified by the administrator

## **2 Statutory Information**

- 2 1 The Company's statutory details are as follows

registered number	02763764
registered office	c/o Grant Thornton UK LLP, 30 Finsbury Square, London, EC2P 2YU
former registered office	c/o Axiom Recovery LLP, Suite 2 -- 1 <sup>st</sup> Floor, Turnpike Gate House, Birmingham Road, Alcester B49 5JG
former trading address	Worle Quarry, Lower Kewtoke Road, Weston Super Mare BS22 9LF

## **3 Progress of the Administration**

- 3 1 According to the proposals report prepared by Mr Morfakis the principal objective of the administration was to sell the Company's business and assets and in doing so achieve a better result for the creditors as a whole
- 3 2 Administrations ordinarily last for a period of one year, and consequently the administration was due to come to an end on 23 December 2013. However at a hearing on 9 October 2012, the court extended the period of the administration to 26 October 2013
- 3 3 Following my application to court to extend the administration, a 2 year extension was granted to 26 October 2015

## **4 Assets realisations**

- 4 1 According to the directors estimated statement of truth the Company had assets comprising the following

Assets	Estimated to Realise £
Goodwill	99,999
IP	1
Equipment	50,000
Motor vehicles	10,000
Contracts and WIP	44,558
Book debts	93,268
<b>Total</b>	<b>297,826</b>

#### **Sale of business and assets**

- 4 2 The Company's business and assets were sold to an associated company, ADB Bristol Limited ("Bristol"), on 21 December 2011 for £297,826 on the advice provided by MGR Appraisals ("MGR") The sale consideration was to be paid by way of £10,000 on completion, followed by 10 equal monthly instalments of £11,783 and a final payment of £170,000
- 4 3 A supplemental letter supporting the sale agreement stated that the purchase price was to be changed to £270,000 The Company's pension schemes' debt of £170,000, mentioned below, was to be used to set off part of the consideration due
- 4 4 The previous administrator received £19,500 on account
- 4 5 Following my review of the previous officeholder's file, an email from an agent acting on behalf of the previous administrator agreed the sale of the Company's business and assets to be reduced to £250,000 On this basis I have confirmed with ADB (Bristol) Limited that the sale purchase price is £250,000
- 4 6 A formal variation of the Sale Purchase Agreement was agreed following my appointment to reflect payment in the sum of £52,835 being due by 21 monthly instalments of £2,400 and a final payment of £2,435, with the sum of £170,000 being due in cleared funds on or before 30 September 2015 if no agreement satisfactory to the administrator could be reached with the pension scheme
- 4 7 Total sums received during my tenure as administrator is £22,200 of which £2,500 has been received in the period of this report

#### **5 Leasehold property**

- 5 1 I became aware of a leasehold property held in the former name of the Company Public liability insurance was sought whilst the leasehold was valued by an independent valuer The valuer advised there was no value in the leasehold Following receipt of his advice, I subsequently arranged for the landlord to surrender the lease and cancelled the policy

#### **6 Investigations and bond claim**

- 6 1 I am currently investigating the manner in which the Company traded pre-administration and the conduct of the previous officeholder
- 6 2 Insolvency practitioners are obliged to obtain two distinct policies when taking insolvency appointments, a bond of specific penalty for each appointment up to the value of the assets within the estate, and a general bond, limited to set amount, which covers all his appointments
- 6 3 A notification of a potential claim has been submitted against the previous administrators' surety insurance in relation to possible fees drawn without proper authority The bond claim is currently being reviewed by the insurers and is yet to be adjudicated

## **7 Secured creditors**

### **HSBC Bank plc**

- 7 1 A fixed and floating charge was registered against the Company by HSBC Bank plc on 22 November 1995. However, a statement of satisfaction, signed by the director Mr Adams, was submitted at Companies House which suggests that the charge was satisfied in full. Following communications with HSBC Bank plc in December 2013, it was confirmed that the statement of satisfaction was lodged without their consent. I instructed my solicitor to recover the Bank's records in order to review the position.
- 7 2 Following recovery of the records from the Bank and the advice received by my solicitors, HSBC's charge is considered to be valid. The outstanding balance due to HSBC caught under the charge is £30,623.

### **The Trustees of AM Directors Pension Scheme**

- 7 3 A fixed and floating charge has been registered against the Company by The Trustees of AM Directors Pension Scheme on 15 June 2010 for £170,000.
- 7 4 The amount due was to be used as set off against part of the sale consideration as explained above. My solicitors have confirmed that the debenture is valid.

## **8 Preferential creditors**

- 8 1 The previous administrators' proposals show preferential creditors of £412. A preferential claim in the sum of £143 has been received from the Redundancy Payments Office.

## **9 Prescribed part and non-preferential creditors**

- 9 1 As the second floating charge debenture is registered after the 15 September 2003, should funds allow, a prescribed part payment for the benefit of unsecured creditors would be made from the net floating charge realisations that are available to the debenture holder.
- 9 2 I have received claims from non-preferential creditors totalling £616,789.
- 9 3 At this stage it would appear unlikely that there will be a distribution to non-preferential creditors, however, the outcome of the bond claim may alter this view.

## **10 Administration fees**

- 10 1 Office holders are obliged to provide creditors with information pertaining to fees and expenses drawn from the estate over which they are appointed.
- 10 2 I attach Mr Morfakis' detailed time records to 26 October 2012 in accordance with Statement of Insolvency Practice 9, which shows time costs of £50,531. Mr Morfakis drew remuneration totalling £23,250 in the period.
- 10 3 In accordance with Statement of Insolvency Practice (SIP 9), I attach a summary of my time costs to date, by grade of staff and type of work. This shows a time cost incurred in the period of this report of £17,000 represented by 51.85 hours at an average charge out rate of £328 per hour. Total time costs incurred for the whole period of the administration is

£80,407 represented by 290.26 hours at an average charge out rate of £277 per hour. I have not drawn any remuneration on account.

- 10.4 The day to day conduct of the administration is under control of partners and staff of Grant Thornton UK LLP. The routine administration of the case will be at a level of administrator, who is responsible to a manager who is experienced in insolvency matters and, together with the appointed partner who is licensed to act as an insolvency practitioner will deal with technical or complex matters as they arise. The extent to which time will be incurred by managers and partners will depend on issues which arise as our investigations continue. Details of the hourly rates are made available to creditors or creditors' committees at the time of fixing the basis of our fees. Personnel carrying the Treasury, secretarial and filing functions are charged separately to the professional staff on the case based on the time they work on it.

- 10.5 My charge out rates and those of my staff are shown below, together with those of Griffins

<b>Grant Thornton UK LLP</b>	<b>From 1/7/12</b>	<b>From 1/7/2013</b>	<b>From 1/7/2014</b>
<b>Grade</b>	<b>£ p/h</b>	<b>£ p/h</b>	<b>£ p/h</b>
Partner	465-580	480-600	495-615
Director	440-480	455-500	470-515
Managers	270-440	280-455	290-470
Other Senior Professionals	220-285	230-295	240-305
Administrators	150-210	155-220	160-230
Support Staff	140-165	145-170	150-175

<b>Griffins</b>	<b>£ per hour</b>
Partner	495-545
Manager	300-395
Senior Investigator	325-380
Administrator/Investigator	200-300
Junior Administrator/Investigators	145-190
Support Staff	70-180

- 10.6 Griffins have not incurred any time costs in the period of this report, and no remuneration has been paid to the former joint administrator.
- 10.7 Background information regarding Administrators' fees can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Technical' to 'Creditors Guides to Fees'). Alternatively, I can supply this information by post on request.

# **11 Expense of the administration**


- 11.1 Disbursements totalling £10 have been incurred but not yet paid in the period of this report. Disbursements paid during my tenure total £105 and are recorded in appendix A.
- 11.2 No disbursements have been paid to the previous joint administrator.

11.3 Barker Gotelee Solicitors were instructed to prepare an application to extend the administration and to advise on the validity of the debenture. Time costs and disbursements incurred in the period of this report total £6,309 and £450, respectively. Total time costs and disbursements incurred since date of instruction are £21,120 and £656, respectively, of which fees in the sum of £6,020 and disbursements of £51, relating to Court fee of £35 and Companies House fee of £16, have been paid.

**12 Exit Route**

- 12.1 As reported above, the administration will end 26 October 2015, at which point the administrator will require his discharge from liability.
- 12.2 In order to allow sufficient time to collect the outstanding deferred consideration and to investigate the trading affairs of the Company prior to administration, I will be making an application to Court for an order terminating the administration and present the Court with a petition for the Company to be placed into liquidation.
- 12.3 If you have any questions regarding this report please contact Kim Edwards on 0161 953 6490 or email [kim.edwards@ukgt.com](mailto:kim.edwards@ukgt.com)

Yours faithfully  
for and on behalf of ADB (International) Limited

  
pp Kevin J Hellard  
Administrator

The affairs, business and property of ADB (International) Ltd is being managed by Kevin J Hellard, appointed as joint administrators on 8 March 2013

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## A Abstract of the administrators' receipts and payments

ADB (International) Limited in administration Administrator's receipts and payments account				
Receipts	Statement of Affairs Estimated to Realise	From 8/3/2013 to 1/2/2015 (£)	From 2/2/2015 to 1/8/2015 (£)	Total (£)
Goodwill	99,999	-	-	-
IP	1	-	-	-
Equipment	50,000	-	-	-
Motor vehicles	10,000	-	-	-
Contracts and WIP	44,558	-	-	-
Book debts	93,268	-	-	-
Sale consideration		19,700	2,500	22,200
VAT refund		880	-	880
Unexplained receipts		158	-	158
Total receipts on last R & P		35,839	-	35,839
	297,826	56,577	2,500	59,077
<b>Payments</b>				
Total payments on last R & P		35,820	-	35,820
Corporation tax		200	-	200
Legal fees		6,020	-	6,020
Legal expenses		51	-	51
Insurance of assets		186	-	186
Administrators expenses		-	105	105
Agents/valuers fees		-	350	350
		42,277	455	42,732
Balance				16,345
				59,077

## B Remuneration charged and expenses incurred by the administrators in the period

	Charged/incurred in period 2 February 2015 to 1 August 2015	Cumulative charged/incurred to 1 August 2015	Of which paid to 1 August 2015
	£	£	£
<b>Office holders fees</b>			
Grant Thornton UK LLP administrators' fees	17,000	80,407	NIL
Grant Thornton UK LLP Administrators expenses	NIL	105	NIL
<b>Legal fees</b>			
Barker Gotelee Solicitors fees	6,309	21,120	6,020
Barker Gotelee Solicitors	450	206	51
JLT – insurance	NIL	186	186

## C SIP 9 information

## ADB (International) Ltd - In Administration - A30200854 - SIP 9 TIME COST

## ANALYSIS

Job(s) ADM

Transaction period 02/02/2015 to 01/08/2015

Standard	Hrs	£	Partner Hrs	£	Manager Hrs	£	Executive Hrs	£	Administrator Hrs	£	Total Hrs	£	Avg Hry Rate
Administration and Planning Creditors	25	40	5	3 040	60	3 450	125	3 885	77	1 465	368	10 802.5	303.42
Hiatus period					48	1 584					48	1 584	330
Investigations					83	3 845	24	561	3	58.5	11	4 484.5	407.66
Realisation of Assets					33		6	36			25	89	276
Trading													
<b>Total</b>	<b>25</b>	<b>40</b>	<b>5</b>	<b>3 040</b>	<b>226</b>	<b>8 912</b>	<b>155</b>	<b>3 883</b>	<b>80</b>	<b>1 208.5</b>	<b>618.5</b>	<b>17 000</b>	<b>327.87</b>

## ADB (International) Ltd - In Administration - A30200854 - SIP 9 TIME COST

## ANALYSIS

Job(s) ADM

Transaction period 08/03/2013 to 01/08/2015

Standard	Hrs	£	Partner Hrs	£	Manager Hrs	£	Executive Hrs	£	Administrator Hrs	£	Total Hrs	£	Avg Hry Rate
Administration and Planning Creditors	25	40	14.5	8 211.5	45.6	5 505.6	89.27	20 808.7	30.04	4 642.5	199.91	49 578	273.69
Hiatus period					71	2 320	105	2 445			86.5	2 504.5	34.66
Investigations					30.45	3 473	36.85	8 605.5	13	1 953.5	80.3	24 242	280.9
Realisation of Assets			05	26	65	2 280	9.05	2 285			82	4 443	274.28
Trading													
<b>Total</b>	<b>25</b>	<b>40</b>	<b>14.5</b>	<b>8 237.5</b>	<b>96.65</b>	<b>33 487.6</b>	<b>135.82</b>	<b>32 143.7</b>	<b>43.04</b>	<b>6,608</b>	<b>299.26</b>	<b>86 407.5</b>	<b>277.92</b>

## Narrative description of work carried out

Activity	Examples of work
Administration and planning	Case reviews and progress reports, administrative set up, dealing with practitioners' bank account Storage, filing, bonding, tax and VAT issues Correspondence with solicitors Dealing with company tax position Treasury statutory work
Investigations	Reviewing previous officeholders records Sending enquiry letters to various parties to establish company's trading position Drafting bond claim
Realisation of assets	Dealing with bank transfers, treasury duties
Creditors	Correspondence with creditors

## D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator

### Rule 2 48A

- (1) If
  - (a) within 21 days of receipt of a progress report under Rule 2 47 -
    - (i) a secured creditor, or
    - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
  - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either -
  - (a) providing all of the information asked for, or
  - (b) so far as the administrator considers that
    - (i) the time or cost of preparation of the information would be excessive, or
    - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
    - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of -
  - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
  - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

## E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses if excessive

### Rule 2 109

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
  - (a) the remuneration charged by the administrator,
  - (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
  - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
  - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
  - (b) an order fixing the basis of remuneration at a reduced rate or amount
  - (c) an order changing the basis of remuneration
  - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
  - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration

**PROOF OF DEBT****ADB (International) Ltd - In Administration****High Court Of Justice Birmingham****REF: 8508 Of 2011****Date of Administration: 27 October 2011**

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration [see above]	
4	Details of any documents by reference to which the debt can be substantiated [Note the Administrator may call for any document or evidence to substantiate the claim at his discretion]	
5	If total amount above includes outstanding uncapitalised interest please state the amount	
6	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under Section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category  Amount(s) claimed as preferential £
7	Particulars of how and when debt incurred	
8	Particulars of any security held, the value of the security and the date it was given	
9	Particulars of any reservation of title claimed, including details of goods supplied, their value and when supplied	
10	Signature of creditor or person authorised to act on his behalf  Name in BLOCK LETTERS  Position with or relation to creditor	     

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