

In the Matter of Adam Consulting Limited

And in the Matter of the Insolvency Act and Rules 1986

In accordance with Rule 4.106, we, Eric Walls and Wayne Harrison of KSA Group Limited, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, give notice that on 10 November 2010 we were appointed joint liquidators of Adam Consulting Limited by resolutions of members and creditors.

Notice is hereby given that the creditors of the above named company, which is being voluntarily wound up, are required, on or before 30 February 2011 to send in their full Christian and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned E Walls and W Harrison of KSA Group Limited, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU the joint liquidators of the said company, and, if so required by notice in writing from the said liquidators, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the benefit of any distribution.

Dated: 15 November 2010

E Walls
Joint Liquidator of Adam Consulting Ltd



1. Statutory Information

1.1 Detailed below is information extracted either from the statutory books of the company or from records held by the Registrar of Companies.

Previous Names:	Adam Consulting Limited
Company Number:	06112322
Date of Incorporation:	16/02/2007
Registered Office:	was 18 Fotherby Court, Maidenhead, Berkshire, SL6 1SX but recently changed to C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU
Shareholdings:	10,000 Ordinary Shares of £1, 1000 of which have been issued and fully paid.
Shareholders:	Leonid Imrie £1 Ordinary Share 1000
Directors in the last 3 years:	Leonid Imrie
Company Secretary:	Leonid Imrie
Nature of Business:	Software Consultancy and supply
Trading Address:	20 Bridgewater Terrace, Windsor, SL4 1RB

2. History of the Company

2.1 The company was incorporated on 16 February 2007 and began trading shortly thereafter. The company provided IT/software consultancy services to a number of clients.

2.2 The company's clients were typically private and public companies, and the company found particular success within the financial services sector. Once established work proved lucrative for the company and ensured the business operated well during 2008. The company first experienced problems during 2009 and the company started to accrue arrears with HMRC.

2.4 The director attempted to trade through and during this time he also accrued personal tax arrears. It became apparent that the business would be unable to meet its HMRC liabilities and the director took the decision to cease trading and seek advice from KSA Group Ltd.

2.5 A meeting was arranged with representatives of KSA Group Ltd. Based on financial information provided by the director it was evident that the company was insolvent. After consulting further with representatives of KSA Group Ltd the director felt he had no option but to call the meetings of shareholders and members necessary to place the company into voluntary liquidation.

2.6 The director considers that the main reasons for the company's failure were as follows:

1. A decline in the level of work in the IT consultancy market, and
2. Failure to meet obligations to HMRC

3. Meetings of Members and Creditors

- 3.1 At a meeting of the board of directors held on 28 October 2010 it was agreed that meetings of members and creditors should be summoned for the purposes of placing the company into Creditors Voluntary Liquidation. Notices were signed summoning the meetings for 10 November 2010. The notices were issued to shareholders and creditors on 28 October 2010.
- 3.2 Accordingly, on 10 November 2010 at a meeting of the shareholders, duly convened at the offices of KSA Group Limited, Level 7 Tower 42, 25 Old Broad Street, London, EC2N 1HN resolutions were passed placing the company into Voluntary Liquidation and appointing E Walls and W Harrison, who are licensed in the UK to act as an insolvency practitioner by the Insolvency Practitioners Association, joint liquidators.
- 3.3 Prior to being asked to advise the directors on the affairs of the company the partners and staff of KSA Group Limited had had no material professional relationship with the company, its directors or shareholders.

4. Transactions with Associated Companies or Trading Organisations

- 4.1 There are no known associated companies or trading organisations.

5. Extracts from Accounts and other Financial Information

- 5.1 A summary of the company's recent financial history is attached at Appendix 1 to this report.

6. Statement of Affairs

- 6.1 A statement of affairs of the company as at 10 November 2010 has been prepared by the directors. A summary of the statement of affairs is attached to this report, along with accompanying notes, and an estimated deficiency account in respect of the period of trading.
- 6.2 As a result of The Enterprise Act 2002 the preferential creditor status of HM Revenue and Customs in respect of PAYE, NIC and VAT, was abolished. This change in legislation also introduced provisions for the liquidator to set aside a certain proportion of the company's net property to deal with the claims of unsecured creditors in advance of the claims of the holder of a floating charge. This is known as the Prescribed Part. **These provisions only apply if a floating charge was created after implementation of The Enterprise Act on 15 September 2003.** The company has no floating chargeholder and therefore the prescribed part rules do not apply.
- 6.3 The statement of affairs takes no account of the cost and expenses of the liquidation or of realising the company's assets.

7. Business conducted at the meeting

7.1 No creditors attended the meeting other than the director.

7.2 The chairman opened the meeting and W Harrison of KSA Group Ltd, who had been appointed joint liquidator of the company by the shareholders of Adam Consulting Limited, presented a brief report to the meeting and reviewed the statement of affairs of the company which had been drawn up to the date of liquidation on his behalf.

7.3 There being no further issues raised by the creditors the chairman moved to the formal business of the meeting. Accordingly, creditors approved the following resolutions:

- the appointment of E Walls and W Harrison of KSA Group Ltd, C12 Marquis Court, Marquis Way, Team Valley, Gateshead, NE11 0RU, was confirmed.
- a creditors' committee was not established.

In the absence of a creditors committee:

- The meeting was informed that an agreed fee of £3,000 plus VAT plus disbursements will be paid to KSA Group Limited in respect of the costs of assisting the directors in preparing the statement of affairs and summoning and holding the meetings of members and creditors. The meeting was also informed that KSA Group Ltd had received funds of £3,525 made up from third party funds.
- it was agreed that liquidators' remuneration would be calculated by reference to time costs incurred by the liquidators and their staff and authorisation was given for the liquidators to draw remuneration on account of those time costs when they felt it was appropriate.
- The liquidator informed the meeting that the current charge out rates for staff likely to deal with matters pertaining to this liquidation were as follows:

	£ per hour
Administrators	40 – 100
Managers	100 – 175
Partners	175 – 300

- It was agreed that all disbursements incurred by the liquidators' firm should be reimbursed at direct cost save in the case of postage, stationery and telephone for which a charge of £7.50 per creditor would be levied, and motor travel where a charge of 50p per mile would be made.
- it was agreed that the level of the liquidators' specific performance bond should be set at £10,000

Adam Consulting Limited
Summary of Recent Financial History

Accounting Information

The following information has been extracted from the Company's annual accounts for the year ended 28 February 2009.

	Annual Accounts 28 February 2009 £	Annual Accounts 28 February 2008 £
Profit and Loss Account		
Turnover	86,957	31,735
Gross Profit	86,957	22,751
Directors Remuneration		
Dividends	60,000	0.00
Net profit/ (Loss) After Taxation & Dividends	66,835	(3,423)
	<hr/>	<hr/>
Balance Sheet		
Fixed Assets	1,340	2,010
Current Assets	36,168	5,659
Liabilities	(33,096)	(10,092)
Total Assets Less Liabilities	<hr/> <u>4,412</u>	<hr/> <u>(2,423)</u>
Issued Share Capital	1,000	1,000
Reserves	3,412	(3,423)
Shareholders Reserves	<hr/> <u>4,412</u>	<hr/> <u>(2,423)</u>

	Book Value £	Estimated to Realise £	
ASSETS			
Computer Equipment	1,340.00		
Directors Loan Account	36,156.00		
			NIL
LIABILITIES			
PREFERENTIAL CREDITORS:-			
			NIL
			NIL
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003 OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS			
			NIL
			NIL
Estimated prescribed part of net property where applicable (to carry forward)			
			NIL
			NIL
DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003			
			NIL
			NIL
Estimated prescribed part of net property where applicable (brought down)			
			NIL
			NIL
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade & Expense Creditors		69,352.03	
Employees - Est		800.00	
Lloyds Bank		4,638.36	
			74,790.39
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)			
			(74,790.39)
			(74,790.39)
Issued and called up capital			
Ordinary Shareholders		1,000.00	
			1,000.00
TOTAL SURPLUS/(DEFICIENCY)			<u><u>(75,790.39)</u></u>

Adam Consulting Limited – In Liquidation

Notes to the Estimated Statement of Affairs

1. Amounts due to Lloyds Bank plc

- 1.1 The amount due to Lloyds Bank plc is in respect of the company's overdraft.
- 1.2 The bank holds the following security in respect of the company's indebtedness:
- Personal guarantees given by Leonid Imrie.

2. Chattel Assets and Motor Vehicles

- 2.1 Book values attributed to those assets in the statement of affairs have been taken from the draft management accounts for the year ended 2009.

3. Amounts Due to Employees

- 3.1 In some instances it has been necessary to estimate the amounts due to employees in respect of arrears of wages, holiday pay, pay in lieu of notice and redundancy.

4. Prescribed Part of Net Property

- 4.1 As a result of the Enterprise Act 2002 the preferential creditor status of HM Revenue and Customs, in respect of PAYE, NIC deductions and VAT, was abolished. This change in legalisation also introduced provisions for the liquidator to set aside a certain proportion of the company's net property to deal with the claims of unsecured creditors in advance of the claims of the holder of a floating charge. **These provisions only apply if the floating charge was created on or after 15 September 2003.**

5. Trade and Expense Creditors

- 5.1 Details of amounts due to creditors have been taken from the books and records of the company. Inclusion in the statement of affairs of the company does not constitute agreement that these amounts are, or were at any time, owed by the company and does not entitle a creditor to participate in any future distribution.

6. Costs and Expenses of Liquidation and Asset Realisation

- 6.1 The statement of affairs takes no account of the costs and expenses of the liquidation or realising the assets of the company.



KSA Group Ltd
Adam Consulting Limited
B - Company Creditors

Unsecured Creditors

Name	Address	£
HMRC	VAT Team 1, Level 3, Beaufort House, 31 Warrington Place, Belfast, BT1 6BH	69,352.03
Lloyds TSB	2 Thames Street, Windsor, Berkshire, SL4 1PL	4,638.36
	Total	<u>73,990.39</u>

Estimated Deficiency Account
For the period from 1 March 2009 to 10 November 2010.

	£	£
Reserves Balance at 28 February 2009		3,412
Amounts written off for the purposes of the statement		
Office & Computer Equipment	1,340	
Directors Loan Account	36,156	
	<hr/>	<hr/>
		(37,496)
		(34,084)
Extraordinary Items		
Employees - Notice Pay & Redundancy		<hr/>
		(800)
		(34,884)
ASSUMED TRADING PROFIT/(LOSS) FOR THE PERIOD		<hr/>
		(39,906)
CREDITORS DEFICIENCY PER STATEMENT OF AFFAIRS		<hr/>
		(74,790)