

**2.24B**

The Insolvency Act 1986

**Administrator's progress report**

Name of Company A G Major Limited	Company number 00329992
In the High Court of Justice, Chancery Division, Birmingham District Registry	Court case number 8585 of 2009

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

We  
Ian Michael Pankhurst  
Senate Recovery Ltd  
4 Jury Street  
Warwick  
CV34 4EW

Jeremy Bowden  
Senate Recovery Ltd  
4 Jury Street  
Warwick  
CV34 4EW

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

(b) Insert date

From 1 October 2010	To 31 March 2010
------------------------	---------------------

Signed

  
Joint Administrators

Dated

22 April 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

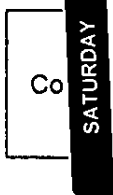
The contact information that you give will be visible to creditors and the public

Ian Michael Pankhurst  
Senate Recovery Ltd  
4 Jury Street  
Warwick  
CV34 4EW

FX Number

01926 476530  
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



**AG MAJOR LIMITED  
IN ADMINISTRATION**

**JOINT ADMINISTRATORS SIX MONTHLY REPORT  
PURSUANT TO RULE 2.47 OF THE INSOLVENCY RULES 1986**

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## 1. INTRODUCTION

- 1.1 The purpose of this report is to detail the conduct of the Administration covering the first six months since the date of my appointment from 1 October 2009 to 31 March 2010

## 2. ASSET REALISATIONS

### Sale of Business

- 2.1 As previously reported in my proposals report, two interested parties submitted offers for the purchase of the Company's business and assets on a going concern basis
- 2.2 I instructed SHM Smith Hodgkinson ("SHM"), Birmingham based valuers to undertake a professional valuation of the business and assets on a going concern basis. Following a review of the offers received by SHM an offer of £70,000 was accepted from Theon.co.uk for the purchase of the business and assets. A sale contract was prepared and completed on 23 October 2009 and payment has been received in full. Details of the sale consideration are shown below -

	Realised Value £
Books & Records and Customer Lists	1
Office Furniture & Equipment	1,000
Goodwill & Intellectual Property	1
Plant & Machinery	67,497
Vehicle	1,500
Work in Progress	1
	<u>70,000</u>

### Licence fee

- 2.3 The company's trading premises was leased by the company from Milton Keynes County Council under a 999 year lease. Following a review of the lease by my agents, the lease is of nil value. Therefore as part of the sale agreement the company granted a licence to the new purchaser to use the premises until negotiations had been concluded between the purchaser and the council. Under the licence agreement the sum of £5,567.23 per month was to be paid until February 2010. To date, £25,598.50 has been received and paid to Milton Keynes County Council.
- 2.4 I can confirm that the licence has been extended for an additional month as the transfer of the lease has not been completed.

### **Book Debts**

- 2 5 The company operated a factoring agreement with Cable Finance Limited ("Cable") At the time of my appointment Cable were owed approximately £61,039 The sales ledger amounted to £265,120 and the directors estimated that approximately £159,072 would be recoverable
- 2 6 Cable have confirmed that no surplus or reassigned debtors will be sent to the company as cross guarantees were in place with the associated companies, TR Realisations Limited (Formerly Tracel Limited) and Monte Winding Co Limited (both in Administration) whereby any surplus made would be used to repay any shortfall due under all companies. It is expected that a shortfall will be made on the cross guarantee between all three companies

### **Financed Assets**

- 2 7 The Company was in possession of one item of plant & machinery financed with HSBC Equipment Finance (UK) Limited Under the sale agreement, £2,735 09 was paid to HSBC Equipment Finance (UK) Limited from the proceeds of the sale

### **3. ASSETS TO BE REALISED**

- 3 1 The only remaining asset outstanding is the additional licence fee of £5,567 23 There are no further assets to be realised

### **4. INVESTIGATION**

- 4 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report/return on the conduct of the directors of the Company to the Insolvency Service As this is a confidential report I am not able to disclose the content

### **5. OUTCOME FOR CREDITORS**

#### **Secured Creditors**

- 5 1 General Capital Finance Limited ('General Capital') hold a debenture conferring a fixed and floating charge created on 30 November 2007 and registered on 20 December 2007 General Capital has agreed to waive their right to enforce their security and have subsequently taken security over Playfair Products Limited, who purchased the business and assets of TR Realisations Limited (Formerly Tracel Limited), the parent Company.
- 5 2 Cable hold a guarantee and debenture created on 18 September 2009 and registered on 23 September 2009 conveying fixed and floating charges over the company's assets As stated earlier in my report it is likely there will be a surplus following collection of the company's book debts, however, under the

cross guarantee it is likely that any surplus funds will be used to repay any shortfall under the cross guarantee

#### **Preferential Creditors**

- 5 3 Preferential creditors amounted to approximately £19,655 at the time of my appointment in respect of arrears of wages and outstanding holiday pay owed to the company's former employees and to the Redundancy Payments Office (in respect of claims already paid by them). It is unlikely funds will be available for a dividend to be made to the company's preferential creditors

#### **Unsecured Creditors**

- 5 4 The company's unsecured creditors' claims were estimated at £264,857. It is unlikely that there will be sufficient funds for a dividend to be paid to the company's unsecured creditors

### **6. RECEIPTS AND PAYMENTS ACCOUNT**

- 6 1 A summary of my receipts and payments covering the period from the date of my appointment to 31 March 2010 is attached at Appendix A

### **7. JOINT ADMINISTRATORS REMUNERATION & DISBURSEMENTS**

- 7 1 The Administrators proposals report dated 13 November 2009 provided for the creditors to agree the basis upon which my remuneration should be fixed. At the meeting of creditors held on 30 November 2009 the creditors agreed that my remuneration should be fixed by reference to time properly spent by myself and my staff in the attending to matters arising in the Administration and that I may draw my fees as and when funds are available
- 7 2 In addition, creditors have also approved my pre appointment costs of £7,220 in accordance with Rule 2.67(1)(c) for advising the company and directors in respect of the procedural formalities required to place the company into Administration. Creditors will note from the attached receipts and payments account, to date I have drawn £7,000 against these costs
- 7 3 My time costs to date total £45,858, which represents 172.05 hours of mine and my staff's time that has been spent on this case, at an average hourly charge-out rate of £267. Of this sum, I have drawn fees of £39,900 in respect of the time charges accrued to date. My time costs are further analysed on Appendix D by reference to the grade of staff involved with the case and the tasks which they have been involved
- 7 4 In addition, creditors also duly authorised that I may charge my allocated disbursements that have been incurred on behalf of the administration of the case. My total disbursements total £1,020 of which all has been reimbursed to my firm. Disbursements are made up as follows

Category 1	£
Room Hire	110 00
Specific Bond	180 00
Total	<u>290 00</u>

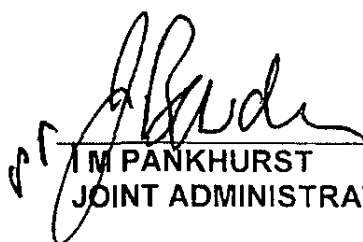
Category 2	£
102 Creditors @ £5 each	510 00
Registered Office Fee	100 00
IPS Accounting System Charge	25 00
Company Search	20 00
Stationery Costs	75 00
Total	<u>730 00</u>

## 8 ESTIMATED OUTCOME STATEMENT

- 8.1 An estimated outcome statement in respect of this matter is attached at **Appendix C**. Based on the asset realisations made to date, the costs of the Administration to date and estimated future costs and realisations, it is estimated that there will be insufficient funds to enable a dividend to be paid to any class of creditor.

## 9. CONCLUSION OF THE ADMINISTRATION

- 9.1 It currently appears likely that there are insufficient funds available, after the costs of the Administration, to allow a dividend to be distributed to any class of creditor. Therefore, it seems likely that the exit route from Administration will be Dissolution. My next report to creditors will be immediately prior to the anniversary of my appointment in October, unless there are grounds to extend the Administration or when I have completed my closing formalities.

  
J M PANKHURST  
JOINT ADMINISTRATOR

**SENATE**  
RECOVERY LTD

**APPENDIX A**

**STATUTORY INFORMATION**

<b>COMPANY NAME:</b>	AG MAJOR LIMITED
<b>COMPANY NUMBER:</b>	00329992
<b>REGISTERED OFFICE:</b>	C/O SENATE RECOVERY LIMITED 4 JURY STREET WARWICK CV34 4EW
<b>NAME OF ADMINISTRATORS:</b>	IAN MICHAEL PANKHURST SENATE RECOVERY LIMITED 4 JURY STREET WARWICK CV34 4EW  JEREMY BOWDEN SENATE RECOVERY LIMITED 4 JURY STREET WARWICK CV34 4EW
<b>DATE OF APPOINTMENT:</b>	1 OCTOBER 2009
<b>DATE OF REPORT</b>	1 APRIL 2010
<b>DATE OF CREDITORS' MEETING:</b>	30 NOVEMBER 2009
<b>APPOINTED BY:</b>	THE COMPANY DIRECTOR
<b>COURT DETAILS:</b>	THE HIGH COURT OF JUSTICE CHANCERY DIVISION BIRMINGHAM DISTRICT REGISTRY  NO 8585 OF 2009

**SENATE**  
RECOVERY LTD



**APPENDIX B**

**JOINT ADMINISTRATORS RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE PERIOD 1 OCTOBER 2009 TO 31 MARCH 2010**

**A G. Major Limited  
(In Administration)**

**Income and Expenditure Account  
01 October 2009 to 31 March 2010**

<b>INCOME</b>	<b>Total (£)</b>
Goodwill	1 00
Plant & Machinery	67,497 00
Furniture & Equipment	1,000 00
Motor Vehicles	1,500 00
Work in progress	1 00
Books and records	1 00
Bank Interest Net of Tax	0 30
License Fee	25,598 50
	<hr/>
	<b>95,598.80</b>
	<hr/>
<b>EXPENDITURE</b>	
HSBC Asset Finance	2,735 09
Pre-appointment Administrators Fees	7,000 00
Office Holders Fees	39,900 00
Office Holders Expenses	1,020 00
Agents/Valuers Fees (1)	6,000 00
Legal Fees	9,598 80
Legal disbursements	157 10
Statutory Advertising	408 10
Rents Payable	24,849 58
	<hr/>
	<b>91,668.67</b>
	<hr/>
<b>Balance</b>	<b>3,930.13</b>
	<hr/>
<b>MADE UP AS FOLLOWS</b>	
Vat Receivable	3,407 67
Bank 1 Current	522 16
Bank 1 Deposit	0 30
	<hr/>
	<b>3,930.13</b>
	<hr/>

**APPENDIX C**

**ESTIMATED OUTCOME STATEMENT**

**AG MAJOR LIMITED  
IN ADMINISTRATION**

**ESTIMATED OUTCOME STATEMENT AS AT 31 MARCH 2010**

	Statement of Affairs £	Achieved to date £	Estimated Movement £	Estimated Final Position £
<b>Secured Assets</b>				
1 Goodwill	NIL	1	NIL	1
2 Book Debts	159,072	NIL	160,680	160,860
Less due to Cable Finance Limited*	(61,039)	NIL	(61,039)	(61,039)
Anticipated surplus c/d	NIL	NIL	NIL	NIL
<b>Asset Realisations</b>				
Plant & Machinery	52,000	67,497	NIL	67,497
Furniture & Equipment	NIL	1,000	NIL	1,000
Motor Vehicles	1,500	1,500	NIL	1,500
Stock	NIL	1	NIL	1
Books and Records	NIL	1	NIL	1
Licence Fee	NIL	25,599	5,567	31,166
Bank Interest Net of Tax	NIL	0 44	NIL	0 44
	53,500	95,598 44	5,567	101,165 44
<b>Cost of Realisations</b>				
HSBC Asset Finance Limited	NIL	(2,735)	NIL	(2,735)
Pre-Appointment Administrators Fees	NIL	(7,000)	(220)	(7,220)
Office Holders Fees	NIL	(39,900)	(2,460 44)	(42,360 44)
Office Holders Disbursements	NIL	(1,020)	NIL	(1,020)
Agents Fees	NIL	(6,000)	NIL	(6,000)
Legal Fees	NIL	(9,599)	(1,500)	(10,099)
Legal Disbursements	NIL	(157)	NIL	(157)
Statutory Advertising	NIL	(408)	NIL	(408)
Rents Payable	NIL	(24,850)	(6,316)	(31,166)
		(91,669)	(21,756)	(101,165 44)
Estimated Funds Available For Preferential Creditors				(0)

- \* Cable Finance Limited ("Cable") are currently in the process of collecting out against sums due to them. Based on information provided by Cable, there will be no surplus to be made available to creditors due to cross guarantees as detailed within this report at 2.6

**APPENDIX D**

**ANALYSIS OF TIME COSTS – SIP 9**

**AG Major Limited - In Administration**

**Appendix D**

**SIP 9 - Time & Cost Summary**

Period 1 October 2009 to 31 March 2009

**Time Summary**

Classification of work function	Hours			Total Hours	Time Costs £	Avg hourly rate £
	Partner	Manager	Administrator			
Admin & Planning	5 75	7 50	56 50	69 75	9,812	141
Investigations	0 00	0 00	0 00	0 00	0	0
Realisation of Assets	73 75	0 25	0 00	74 00	26,975	365
Creditors	19 60	7 20	0 00	26 80	8,471	316
Trading	1 50	0 00	0 00	1 50	600	400
<b>Total Hours</b>	100 60	14 95	56 50	172 05		
<b>Total Time Costs (£)</b>					45,858	
<b>Average Hourly Rate by Grade (£)</b>						267