

The Insolvency Act 1986

Statement of administrator's 2.17B proposals

Name of Company A G S (Home Improvements) Limited	Company number 01187904
In the High Court of Justice, Chancery Division, Worcester	Court case number 148 of 2013

(a) Insert full name(s) and address(es) of administrator(s) I, (a) Mark Bowen of MB Insolvency, Aston House, 5 Aston Road North, Birmingham, B6 4DS

* Delete as applicable

attach a copy of my proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 11 June 2013

Signed 
Administrator

Dated 11 June 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.

MB Insolvency	
Hilcarnie House, St Andrews Drive, Droitwich, Worcester WR9 8DJ	
	Tel 01905 776771
Fax Number 01905 507596	DX Number

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

MONDAY



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COMPANIES HOUSE

Mark Bowen appointed Administrator on 24 April 2013

The affairs, business and property of the Company are being managed by the Administrator, who acts as the Company's agent and without personal liability

A.G.S. (Home Improvements) Limited

(In Administration)

Report and Proposals of the administrator under the provisions of Paragraph 49 of Schedule B1 to the Insolvency Act 1986

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The day-to-day administration of the administration will be dealt with by Margaret Carter, the case manager. Should you wish to discuss any aspect of this report please contact Margaret in the first instance on 01905 776771 or by email to margaretcarter@mb-i.co.uk. Please send all correspondence to MB Insolvency, Hillcarnie House, St Andrews Drive, Droitwich, Worcestershire, WR9 8DJ.

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"The Company"	A.G S (Home Improvements) Limited (In Administration)
"The administration"	The appointment of administrator under Schedule B1 of the Insolvency Act 1986 on 24 April 2013
"the administrator"	Mark Bowen of MB Insolvency, Hillcarnie House, St Andrews Road, Droitwich, Worcestershire, WR9 8DJ
"the Act"	The Insolvency Act 1986, as amended
"the Rules"	The Insolvency Rules 1986, as amended
"the creditors"	All preferential creditors and all unsecured creditors
"preferential creditor"	Any creditor of the Company whose claim is preferential within Section 386 of the Insolvency Act 1986 as at 24 April 2013 being the date the Company entered Administration.
"Pre-administration costs"	Fees charged and expenses incurred by the administrator or his firm, or another person qualified to act as an insolvency practitioner, before the company entered administration but with a view to its doing so
"unsecured creditor"	Any person (other than a preferential creditor) who has, or claims to have, any claim against the Company (whether the claim be present, future or contingent or prospective and whether liquidated or for damages and whether arising in contract or tort or otherwise) in connection with or arising from any matter occurring prior to 24 April 2013

2. STATUTORY INFORMATION

Date of Incorporation	21/10/1974
Company registered number.	01187904
Registered office.	C/O MB Insolvency, Hillcarnie, St Andrews Drive, Droitwich, WR9 8DJ
Trading address.	Manor Buildings, Brunel Road, Newton Abbot, Devon, TQ12 4PF
Principal business activities.	Manufacturer and installer of windows, doors, conservatories and associated products
Trading names:	A G S (Home Improvements) Limited T/A Fleet Frames A G S (Home Improvements) Limited T/A Crown Commercial
Directors.	Stuart James Burgin David Anthony Roberts Michael Adkins
Company Secretary:	David Anthony Roberts
Share capital.	529,437 ordinary £1 shares 5,650 ordinary £1 shares (non-voting)
Shareholders.	A G S Southern Limited
Registered Charges.	All assets debenture in favour of Lloyds TSB Commercial Finance Limited created on 29 November 2011 and registered on 2 December 2011 Deed of Admission to an Omnibus Guarantee and Set-Off Agreement in favour of Lloyds TSB Bank Plc created on 15 December 2008 and registered on 16 December 2008 Deed of Admission to an Omnibus Guarantee and Set-Off Agreement in favour of Lloyds TSB Bank Plc created on 25 May 2005 and registered on 15 June 2005 Debenture in favour of Lloyds TSB Bank Plc created on 31 May 2001 and registered on 02 June 2001

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Name(s) of Administrator	Mark Bowen , Licensed Insolvency Practitioner of MB Insolvency, Hillcainie House, St Andrews Drive, Droitwich, Worcestershire, WR9 8DJ Licensed to act in the United Kingdom by the Insolvency Practitioners Association
Date of Administrator's appointment	24 April 2013
Court	High Court of Justice, Chancery Division, Worcester District Registry 148 of 2013
Person(s) making appointment / application	The Directors of the Company
Acts of the Administrator's	The Administrator acts as officer of the court and as agent of the Company without personal liability Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time
EC Regulation on Insolvency	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are main proceedings' within the meaning of Article 3 of the Regulation

STATUTORY PURPOSE OF ADMINISTRATION

Paragraph 3 of Schedule B1 to the Act provides as follows

- "3 (1) The administrator of a company must perform his functions with the objective of
- (a) rescuing the company as a going concern, or
 - (b) achieving 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), or
 - (c) realising property in order to make a distribution to one or more secured or preferential creditors
- (2) Subject to subparagraph (4), the administrator of a company must perform his functions in the interests of the company's creditors as a whole
- (3) The administrator must perform his functions with the objective specified in subparagraph (1)(a) unless he thinks either
- (a) that it is not reasonably practicable to achieve that objective, or
 - (b) that the objective specified in subparagraph (1)(b) would achieve a better result for the company's creditors as a whole
- (4) The administrator may perform his functions with the objective specified in subparagraph (1)(c) only if
- (a) he thinks that it is not reasonably practicable to achieve either of the objectives specified in subparagraph (1)(a) and (b), and

(b) he does not unnecessarily harm the interests of the creditors of the company as a whole "

4. CIRCUMSTANCES GIVING RISE TO THE APPOINTMENT OF ADMINISTRATOR

A G S (Home improvements) Limited (AGS) began trading in 1974 with small premises in Newton Abbot town centre as a local company specialising in the supply and installation of aluminium windows and doors to a local client base

The introduction of PVCU products saw a dramatic increase in the market, enabling the Company to expand to meet this new demand AGS concentrated efforts in the South West supplying UPVC and aluminium ranges with manufacturing facilities

There was a sale and leaseback transaction by the shareholders in 2003

Trading was positive until 2007 having built up good customer relationships and a positive reputation The Company then experienced a general decline in sales and profit margins due to economic factors and became under increasing year on year pressure culminating in a position in 2011 where there was significant crown arrears and the potential of a petition for the Company to be wound up presented in the short term

In mid 2011 Stuart Burgin purchased shares in AGS Southern Limited and became a director of the "group" companies in order to attempt to turnaround the companies The Companies, A G S (Home Improvements) Limited, Crown Architectural Limited and Causeway Group Trading Limited traded independently whilst some trading did exist between them There are common Directors and shareholders

At the point of Stuart Burgin joining the group there was significant crown debt, an onerous staff commitment and high overheads in a substantial building with high rates and associated costs

The crown debt was repaid over 3 months and costs savings made where possible Trading through 2012 began well but became more difficult whilst the commercial and retail order books were replenished and strengthened Trading through 2012 led to a year of no further cash loss, a turnaround of c£300,000 00 per annum By the end of 2012, the order books in all sectors were by then strong and a good 2013 was anticipated

The first quarter of 2013 saw some of the worst weather in the Country's history, which had 2 effects

1 Commercial fitting was subdued at the beginning of the quarter as the building sites were behind Once, ready there was a sudden demand uplift requiring excessive working capital with related debtors paying for too late in May A £40,000 00 reduction in cash flow was experienced in April

2 Easter, being the coldest on record, many retail customers delayed installations Disheartened, the either went away of delayed due to home disruption Given an AGS positive cash flow depends on consistent retail installations, delays resulted in another £60,000 00 April cash shortfall

The commercial shortfall could have been managed but not combined with the retail The retail installation delays appeared during the week of Easter The first week back a financial assessment was undertaken and the decision to seek advice was reached very quickly Advice was acted upon immediately

The above history has been prepared and submitted by the company director(s) and replicated in this report as presented by them.

The Company carried on business as a specialist provider of high quality UPVC and aluminium products concentrated mainly in the South West area. As mentioned above the company is part of a group of companies owned by AGS Southern Limited, see appendix 1 enclosed detailing group structure. The connected companies that form the group had inter-company trade and operated from premises in Newton Abbot (Devon) and Hale (Cornwall) with common shareholders and Directors. The trading in Hale was principally carried on by Causeway Trading Company Limited. Crown Architectural Aluminium Limited and Causeway Group Trading Limited also went into administration on 24 April 2013 and I was appointed administrator over both Companies.

The Company latterly incurred significant trading losses which the Directors advise were caused by adverse weather conditions for the first quarter of 2013 which severely hampered commercial fitting and discouraged retail sales. The company was operating at maximum funding levels allowed by the Bank and cash flow was a continual issue.

The Director's met with the Company's advisers and bankers and it became evident that the company could not continue to trade having regard to its financial position and future trading forecasts/prospects. The directors, having considered the various options available to the company concluded that they should seek the appointment of an administrator. I was then introduced to the Directors by the Company's accountants and meeting with them on 12 April 2013 to review the various insolvency options and to discuss the mechanism for the company to enter administration.

A voluntary arrangement was not considered feasible (given that further trading losses were anticipated) and liquidation was not preferable because likely asset realisations would be lower, to the detriment of the creditors. It was concluded that the Company was not viable and that steps should be taken to protect the Company's position.

A board meeting was held on 15 April 2013 and it was resolved, due to the Company's financial position, to seek the appointment of an administrator. A notice of intention was filed in the High Court of Justice, Chancery Division, Worcester District Registry on 16 April 2013 with notice given to the qualifying charge holder Lloyds TSB Bank Plc.

Due to the lack of work and the uncertainty of being able to meet the ongoing commitments, the directors decided that trading should cease and that all employees should be sent home pending appointment of an administrator. Whilst the employees were not made redundant at that stage, it was considered appropriate that all work ceased until further clarity could be given regarding the Company's position going forward. I attended the premises on 22 April 2013 upon the request of the Directors to advise the workforce of the same. My staff, representatives and I met with 96 direct employees and 21 sub-contractors to advise them of the procedures in the event their redundancy was to be confirmed, answered questions and provided documentation outlining the procedure.

Notice of the intention to appoint an administrator was given to Lloyds TSB Bank Plc on 16 April 2013, I was subsequently appointed on the expiry of the mandatory 5 business day notice period on 24 April 2013.

Immediately prior to my appointment I undertook a review of the Company and it became clear that an appointed administrator would not be able to continue to trade the business. The costs of trading the Company were prohibitive with estimated weekly running costs of £29,900.00 and in addition the financial implications of insolvency insurance cover and security, employee's arrears, administrator's monitoring costs, the possibility of supplier ransom demands and health and safety considerations. There was also concern about the level of convertible orders and work in progress to fund liabilities going forward. Administration, and consequential loss of warranties and confidence will have affected client relationships.

A review and valuation of the Company's remaining assets was carried out by Deeley Matthews in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Standards.

5. THE ADMINISTRATION PERIOD

The Director's notice of intention for my appointment as Administrator was filed at court on 16 April 2013
Notice was also served on Lloyds TSB Bank Plc , Dept 96-06, P O Box 83, Easton Road, Bristol, BS99 5HZ (QFC)
The Administration order was subsequently made on 24 April 2013

As mentioned above, immediately prior to my appointment as Administrator I undertook a review of the company's affairs and in particular to its financial and resource requirements. The assessment was carried out in liaison with the director and company's accountants. Having regard to the company's ongoing business commitments and anticipated cash flows it became clear that I would not be able to continue to trade the business due as the costs of doing so would be prohibitive.

The company weekly running costs were £29,900.00 before taking into account,

- 1 insolvency insurance and security costs
- 2 the loss of contractual utility rates and supplier ransom payments
- 3 employee arrears
- 4 administrator's monitoring costs
- 5 health and safety

The company's assets were valued by Deeley Matthews (RICS Chartered Surveyors) prior to appointment, giving rise to the following valuation

	In Situ (£)	Ex Situ (£)
Office Furniture & Equipment	4,250 00	2,000 00
Plant & Machinery	95,000 00	50,000 00
Motor Vehicles	2,900 00	1,750 00
Showroom Displays/Stock	10,000 00	4,000 00
	112,150 00	57,750 00

A review of the company purchasing records confirmed that there was a significant amount of the stock which was subject to retention of title claims, consequently minimal values were attributed to stock.

There were also several vehicles and items of equipment subject to finance and upon review it was established that there was no equity in the agreements. Consequently upon appointment the finance companies were invited to collect their vehicles & equipment.

Employees

AS reported I had met with the workforce on 22 April 2013 at the request of the Directors to update them with regard to the administration process and that such may result in their being made redundant. I met with 96 staff and supplied them information regarding the procedure should they be made redundant and provided the necessary forms for completion in that event. I also met with 21 sub-contractors who work for AGS explaining the scenario in their individual situation.

It quickly became evident that a quick sale of the company business and assets was not going to be possible. Hence there would be no immediate opportunity for a new employer to take over staff and the cost of retaining the workforce could not be justified.

Therefore upon my appointment on 24 April 2013 I advised all staff that they were made redundant with immediate effect.

I engaged Insol Employee Solutions Limited (Insol) to assist in liaising with employees and assisting with the processing of employee's claims. Employees were notified of their redundancy by letter having been provided with the necessary claim forms on 22 April 2013.

Employees including sub-contractors have been supported by telephone, email and in person through the redundancy and claim process. In total 120 employee claims have been processed.

Sale of Business

In the days leading up to and following my appointment I received a number of enquiries from various parties regarding the purchase of all or certain of the company's remaining business or certain assets.

Prior to my appointment I prepared a sales memorandum which was provided to each interested party upon receipt of their enquiry. Press coverage on a local and national level advertised the company position and generated interest in the company's business and assets. The level of interest led me to conclude that the cost and time of wider advertising was not necessary, a matter that I discussed with my agents Deeley Matthews. Meetings with interested parties were held at the premises immediately prior to and following my appointment.

Requests for additional information were met by way of site visits.

Due to the onerous liabilities pertaining to rent, rates and utilities of the trading premises it was considered that an early sale, i.e. as soon as possible, was preferable. This would also provide a purchaser opportunity to preserve customer relationships, engage employees (who had been made redundant), and negotiate with creditors for future supply. Interested parties expressed concern that value was diminishing rapidly.

An offer at a proceedable level was received and therefore a deadline for offers was set and a number of parties submitted bids.

I reviewed the offers with my agent, Deeley Matthews, who recommended acceptance of the highest offer received and confirmed that it represented an improvement on the return anticipated from an auction sale.

A sale as detailed below was concluded on 29 April 2013 to AGS Home Improvements Devon Limited. The Company had no association to A G S (Home Improvements) Limited.

	£
Customer Contracts	1 00
Customer Records	1 00

Goodwill	22,497.00
Intellectual Property & Licences	1 00
Office Furniture & Equipment	9,000 00
Plant & Machinery	60,000 00
Stock & Work in Progress	10,000 00
Motor Vehicles	2,500 00
Total	104,000.00

The consideration was payable in full on completion and has been received

As part of the sale the purchaser was granted a licence to occupy the trading premises until 31 May 2013. The purchaser requested this license period in order to clear the premises at Manor Buildings, Brunel Road, Newton Abbot or potentially agree terms of a new lease for occupation of all or part of the premises. Under the terms of the license the purchaser is responsible for associated property costs for the period of occupation. The Sales contract provided for the exclusion of items subject to creditor retention of title claims. Numerous creditors subsequently visited the site in order to identify, demonstrate ownership and where appropriate collect goods.

An assessment of reservation of title claims prior to the sale had concluded that a significant amount of stock would be returned to suppliers.

Book Debts

The work in progress which had not been invoiced was included in the sale as detailed above. All invoices that had been issued remained as assets of the Company. Debt collection agents, Direct Legal, have been engaged to assist with the collection of the debts.

	£
Advised book value of debtors	363,670.
Direct Legal collection valuation	181,835

The book value is as represented in the Company records and provided upon appointment. Some of these funds may have been received into the company bank account however a reconciliation has not been possible as I have not, despite several requests, received information nor the credit balance on the account from the bank.

Further a number of the debtors are claiming that works are either un-finished or un-satisfactory and citing loss of warranty (the company provided a 10 year warranty) and Direct Legal are investigating on an individual basis.

In view of the above and upon advice from Direct Legal the book debts value has been provided against by 50%.

Connected party transactions -

We have been made aware of a sale of certain items of plant and machinery in August 2012 to AGS Southern Limited. This transaction is being investigated. To date it has been established that a sales invoice was raised for and approximately half of the sale price paid. I was made aware of the transaction after the sale of the company business and assets had been completed. My agents Deeley Matthews have attributed a value to the items and the claim of AGS Southern Limited may result in a reduction in the value received for the plant and machinery. This value is estimated in the statement of affairs following discussions with AGS Southern Limited and my solicitors.

Creditor claims;

I am currently in the process of reconciling the liabilities of the company. As at the date of appointment the following creditors were identified, these have yet to be verified and may contain some estimated liabilities

Trade & Expense Creditors	£877,655 00
Employees Claims (Arrears of pay and estimated redundancy payments and pay in lieu)	£875,510 00
HM Revenue & Customs -	£509,615 47

All creditors have been invited to submit details of their claims in this matter

Creditors who have retention of title claims have had the relevant questionnaire and access has been provided to identify and collect stock as reported earlier

Creditor claims will be subject to adjudication

Other matters dealt with by the administrator and his staff include the following,

- Obtaining Company searches
- Carrying out money laundering and ethical checks and due diligence
- Changing the company registered office to the administrator's office
- Taking steps to secure the Company's records (both paper and electronic)
- Contacting finance and lease creditors, arranging collection of vehicles and assets
- Contacting the company landlords and agents managing the building
- Employees have been liaised and corresponded with
- Utility creditors have been provided with meter readings
- Various statutory requirements and notices were also complied with
- The administrator has responded to a high volume creditor and customer enquiries
- Dealing with creditor claims of retention of title
- Dealing with deposit creditor enquiries
- Liaising with deposit scheme
- Undertaking initial investigation work and issuing questionnaires to the directors for completion
- Liaising with the qualifying floating charge holders –verifying position
- Corresponding with the company accountants and solicitors
- Liaising with the landlord, sub tenants and their legal advisers regarding occupation
- Securing the property
- Preparing a sales memorandum
- Liaising with interested parties, providing information and attending site meetings
- Liaising with purchaser regarding asset removal issues
- Instructing Insol to undertake pension registry searches
- Arranging insurance
- Dealing with sub-contractors
- Collating and passing information to debt collection agent
- Dealing with the sale of the company business and assets
- reviewing intercompany balances and transactions
- Liaising with redundancy payments office in respect of the business sale and employee related matters
- Dealing with press enquiries

- Meeting with company accountants regarding the completion of the statement of affairs
- Collecting and collating information, books and records where necessary

A request was made to the directors for a statement of affairs. This was met with a request for an allowance to be made out of the company assets for assistance to be provided by the company accountants. I agreed to that request and a fee of £2,000 with Peplows Accountants who have undertaken the following

- Meeting with the Directors and myself on 2 occasions with regard to the completion of the statement of affairs
- Provision of past financial statements and management accounts
- Provision of connection party transaction information
- Provision of detail regarding the inter-company trading position
- Provision of breakdown of group HMRC liability
- Provision of statement of affairs

I have instructed Harrison Clark Rickerbys Solicitors who in addition to the services as detailed on the pre-appointment appendix have undertaken the following,

- Corresponded with landlord, landlord's agents, landlord's solicitors regarding on-going occupation by licence holder and exit arrangements
- Collection of licence fee and ensuring conditions of licence are met
- Liaising with purchaser regarding issues re collection of vehicles under sales agreement condition
- Providing advice on sub-tenant occupation to the Administrator
- Assisting with the sales process (issuing sales documentation and liaising with purchasers solicitors)
- Account to Administrator for sales proceeds

I have instructed Insol Financial Solutions Limited to provide the following services with regard to the pension scheme

- Submit S120 notice on my behalf
- Full pension review of Company scheme
- Provide assistance in winding up scheme if appropriate
- Liaise with members of the scheme
- Resolve any issues with the scheme including completion of RP15 if required

I have instructed Deeley Matthews Valuers and Chartered Surveyors who in addition to the services as detailed in the pre-appointment appendix have undertaken the following

- Secured all properties upon appointment, changed locks and entry/alarm codes

- Advised on the sales process and the acceptability and recommendation of the successful bid
- Liaised with purchaser and the purchasers agents regarding removal of assets from premises, obtained method statement, time projection and supervised on site
- Provided manpower and supervision to assist with site clearance
- Changed locks and secured building upon expiry of licence period
- Assistance with collection of vehicles by lease companies
- Liaised with landlord's representatives regarding hand back of keys

I have instructed Inso! Employee Solutions Limited who have provided the following services

- Assistance in completion of RP1 claim forms by employees - 96 staff
- Providing information to Redundancy Payments Office
- Dealing with on-going enquiries, verifying information against Company records
- Completion of RP18 for Redundancy Payments Office providing details of sale
- Dealing with 21 sub-contractor claims and subsequent Redundancy Payment Office communication in this regard
- Providing P45s and P35s
- Providing confirmation of redundancy to job centres and government claims departments

Receipts and Payments

Attached at Appendix 2 is my account of receipts and payments from the commencement of administration to date, incorporating a projected outcome for creditors

6. ADMINISTRATOR'S PROPOSALS

Purpose of the Administration

I am required to set out my proposals for achieving the purpose of the Administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at section 3 of this report above

EITHER

The most appropriate objective to pursue in this case is that specified in subparagraph 3(1)(a), namely rescuing the Company as a going concern

OR

it is not reasonably practicable to achieve the objective specified in subparagraph 3(1)(a), and consequently the most appropriate objective to pursue in this case is that specified in subparagraph 3(1)(b), namely achieving 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)

OR

that the most appropriate objective to pursue in this case is that specified in subparagraph 3(1)(b), namely achieving 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) Whilst it may be reasonably practicable to pursue the objective of rescuing the Company as a going concern, I consider this would be unlikely to achieve a better result for the Company's creditors as a whole

OR

it is not reasonably practicable to achieve either of the objectives specified in subparagraph 3(1)(a) and 3(1)(b), and consequently the most appropriate objective to pursue in this case is that specified in subparagraph 3(1)(c), namely realising property in order to make a distribution to one or more secured or preferential creditors I furthermore consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole

For the reasons set out in my report, I presently consider that the most appropriate objective to pursue in this case is that specified in subparagraph 3 (1) (b), namely achieving 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)

I consider that this objective has already largely been achieved due to the sale of the business to AGS Home Improvements Devon Limited

Proposals;

(1) In order that the purpose of the administration may be fully achieved I propose to remain in office as Administrator in order to collect in the remaining book debts and to discharge my statutory obligations

(2) I propose to continue to manage the affairs and any remaining assets of the company and the settlement of all administration expenses

(3) I propose to continue with my enquiries into the conduct of the Directors of the Company and continue to assist any regulatory authorities with their investigations into the company's affairs.

(4) For so long as it appears that the Company may be in a position to make a distribution to unsecured creditors (whether under the provisions of the 'Prescribed Part' or otherwise), that I take such steps as appropriate to establish the claims of the unsecured creditors against the Company for formal adjudication by any liquidator appointed in due course, and that the costs of doing so may be defrayed out of the assets of the Company as an expense of the administration

(5) I be authorised to distribute funds to the secured, unsecured and preferential creditors as and when funds permit

(6) If a Creditors Committee is appointed, it be asked to agree that the basis of my remuneration be fixed by reference to the time properly spent by myself and my staff in attending to matters arising in the Administration at MB Insolvency's standard charge out rates plus vat and asked to agree the my disbursements Such remuneration and expenses to be drawn on account as and when funds within the administration permit

(7) In the event that a Creditors Committee is not formed the creditors be asked to agree that the basis of my remuneration be fixed by reference to the time properly spent by myself and my staff in attending to matters arising in the Administration at MB Insolvency's standard charge out rates plus vat and asked to agree the my disbursements Such remuneration and expenses to be drawn on account as and when funds within the administration permit

(8) Following these events I propose to finalise distributions to creditors in so far as realisations and my powers as administrator permit and to exit from administration

The options available to the administrator for the exit from administration are as follows,

- Compulsory Winding Up
- Creditors Voluntary Liquidation
- Company Voluntary Arrangement
- Return to the control of the directors
- Dissolution of the company

I confirm that I am of the opinion that on the basis of present information there will be sufficient realisations in this matter to enable a distribution to be made to unsecured creditors of the company. This is dependent on success in collection of debtors.

As Administrator I do not have a general power to make a distribution to unsecured creditors and may only do so if the court gives permission. It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate. Additionally there may be matters for enquiry concerning a company's affairs which are not within the scope of an Administrator's powers and which can only be properly dealt with by a Liquidator.

Consequently, as soon as I am satisfied that I have fully discharged my duties as Administrator and that the purpose of the Administration has been fully achieved and it remains as anticipated that there should be sufficient realisations to enable a distribution to be made to unsecured creditors, I propose to implement the provisions of Paragraph 83 of Schedule B1 to the Act whereby on the registration of a notice sent to the Registrar of Companies, my appointment as Administrator shall cease to have effect and the company will automatically be placed into Creditors Voluntary Liquidation. Paragraph 83(7) provides

The Liquidator for the purpose of the winding up shall be-

- a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- If no person is nominated under paragraph (a), the Administrator

I confirm that as part of my proposals I seek nomination as Liquidator in any subsequent winding up of the Company. Creditors may nominate a different person as the proposed Liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved. The appointment of a person nominated as Liquidator takes effect by the creditors' approval, with or without modification, of the Administrators' proposals.

Alternatively, should there be insufficient property to enable a distribution to be made to unsecured creditors and as soon as I am satisfied that I have fully discharged my duties as Administrator and that the purpose of the Administration has been fully achieved, I propose to implement the provisions of Paragraph 84 of Schedule B1 to the Act. Under these provisions, on the registration of a notice sent by me to the Registrar of Companies, my appointment as Administrator ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an Administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the company.

However, it may transpire that it is not possible to finalise the Administration as envisaged within one year of the date of my appointment. In particular, this situation will arise if I am not able to conclude the realisation of assets described in paragraph 6. Yet Paragraph 76 of Schedule B1 to the Act provides that the appointment of an Administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, the Administrator's term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding six months. It may therefore become necessary at some future time for me to seek creditor consent to extending the period of the administration for

up to a further 6 months following the anniversary of my appointment in order to ensure that the objective of the Administration can be fully achieved

(9)I propose that I will be discharged of all liability pursuant to Paragraphs 98 and 99 of Schedule B1 of the Insolvency Act 1986 immediately upon my appointment as Administrator ceasing

Section 176A Fund for Unsecured Creditors

Section 176A of the Act provides that, where the company has created a floating charge after 15 September 2003, the Administrator must make a *prescribed part* of the company's *net property* available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims. *Net property* means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realisation). The *prescribed part* is calculated by reference to a sliding scale as follows

- ☐ 50% of the first £10,000 of *net property*,
- ☐ 20% of *net property* thereafter,
- ☐ Up to a maximum amount to be made available of £600,000

An Administrator will not be required to set aside the *prescribed part* if

- ☐ the *net property* is less than £10,000 and he thinks that the cost of distributing the *prescribed part* would be disproportionate to the benefit, (Section 176A(3)) or
- ☐ he applies to the court for an order on the grounds that the cost of distributing the *prescribed part* would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

Based on current information received there are no liabilities outstanding to floating charge creditors in this matter and therefore Section 176A of the Insolvency Act 1986 will not apply, however this is subject to verification

Administrators' Remuneration and disbursements

The Administrator proposes to be remunerated on the basis of his hourly costs at scale rates calculated on the time properly spent in the course of the Administration and that he may draw remuneration on account as and when funds permit. The Administrator also seeks approval to re-charge expenses in line with the firm's policy.

Remuneration drawn will be notified to any creditors' committee appointed under paragraph 57 of Schedule B1 to the Act. In the absence of a creditors' committee, details of time incurred and disbursements drawn will be reported to creditors in accordance with *Statement of Insolvency Practice 9* issued by the Joint Insolvency Committee on behalf of the Administrators' licensing bodies.

Total time spent to date on this assignment amounts to 117 hours at an average composite rate of £223.76 per hour resulting in total time costs to date of £26,180.00

The Administrator seeks approval in the same manner as with remuneration to draw disbursements

To assist creditors in determining this matter, the following further information as regards time costs and expenses is set out at Appendix [3]

- ❑ MB Insolvency policy for re-charging expenses
- ❑ MB Insolvency charge-out rates
- ❑ A creditors' guide to administrators' fees, which includes a Statement of Creditors' Rights

7. PRE-ADMINISTRATION COSTS

Before a company enters into any form of insolvency proceedings, professional costs are incurred in order to ensure that -

- The most appropriate form of proceedings is chosen, in the interests of creditors and
- To deal with the mechanics of initiating the proceedings and appointing an insolvency practitioner

The basis on which these costs are to be paid varies according to the insolvency procedure adopted. In the case of a company entering into Administration, the Administrator makes a 'Statement of Pre-Administration Costs' (see definitions at the front of this report), the content of which is prescribed by the Insolvency Rules, and seeks approval for their payment from the creditors of the company.

My statement of Pre-Administration costs for this Company is set out at Appendix 4.

In this case, further work was also done in the interests of creditors prior to my appointment as Administrator to prepare for administration and the expedient sale of the business and assets shortly following my appointment. It will be appreciated that, had this commercial opportunity not been available, it would have still been necessary to obtain valuations and instruct agents and solicitors to assist in disposing of the assets following my appointment, and for me to manage and oversee the process. To that extent, these costs are not additional costs that would have been saved had the assets been disposed of later.

A separate resolution dealing with my Pre-Administration costs is set out on the accompanying proxy. I should point out that this resolution does not comprise part of my formal Proposals for the conduct of the administration.

8. STATEMENT OF AFFAIRS

Extracts from the directors Statement of Affairs as at 24 April 2013 is attached at Appendix 5.

I would comment as follows:

- The estimate for debtors is based on estimates received from debt collection agents, the initial feedback is that they are meeting some resistance from debtors with issues of unsatisfactory/unfinished work, these will be examined on an individual basis. Work is on-going to achieve best possible outcome through negotiation.
- Debtor payments were banked by the Company in the period leading up to appointment which led to a credit balance at the Bank, hence there is no liability to the charge holder.

- The cash balance recorded is taken from Company records. We have not yet received the money from the Bank or had the opportunity to scrutinise the transactions prior to administration. The balance may contain debtor receipts which in turn will reduce the realisations of this asset.
- Creditor's claims are subject to agreement and will not be prejudiced by omission from the Statement of Affairs or by inclusion in a different amount from that claimed.
- In accordance with the standard format of A Statement of Affairs, no provision has been made in the Statement of Affairs for the costs of the Administration (including agents, legal and other professional fees).
- No security verification has yet been undertaken or is proposed by the Administrator as it appears there is no liability to the charge holder.
- A claim has been received from AGS Southern Limited with regard to "ownership" of certain of the plant and machinery assets, this is being investigated and could reduce realisations as forecast by £15,000.00.
- The Company is part of a VAT group registration and this is a claim from HMRC across 3 companies in the registration.
- The employee claim relates to preferential claims for wages and holiday and non preferential claims for redundancy and notice.

9. OUTCOME FOR CREDITORS

Secured Creditors

On current information it would appear that there is no liability outstanding to the secured creditor.

Preferential Creditors

It is anticipated that the preferential creditors will be discharged in full.

Unsecured Creditors

On present information, it appears that there will be funds available for distribution to unsecured creditors. At present the quantum and timing of any distribution is unknown.

As detailed under the heading 'exit from administration', as soon as I am satisfied that I have fully discharged my duties as Administrator and that the purpose of the Administration has been fully achieved, I propose to implement the provisions of paragraph 83 of Schedule B1 to the Act whereby on the registration of a notice sent to the Registrar of Companies, my appointment as Administrator shall cease to have effect and the company will automatically be placed into creditors voluntary liquidation.

10. INVESTIGATIONS & DIRECTORS' REPORTING

I have a duty to investigate the extent of the Company's assets, including potential claims against third parties including the directors, and to report my findings to creditors, subject to considerations of privilege and confidentiality and whether those investigations and/or any potential litigation might be compromised.

As part of my initial assessment I obtained the Statement of the Company's Affairs from the directors (see 8 above), secured and prepared an inventory of the Company's accounts, books and records and in my letter notifying creditors of my appointment I invited creditors' to notify me in writing of any matters of concern to them. That invitation is repeated in this report.

I have also made enquiries of the directors and certain senior employees and have scrutinised the available information to identify any areas for further enquiry.

On the basis of my preliminary assessment no matters have come to light that suggest that there might be recoveries for the estate in addition to the proceeds of realisation of Company's assets shown in the Estimated Outcome Statement at Appendix 2 [that are cost-effective to pursue]. Accordingly, I am not currently conducting or proposing to conduct any further, more detailed investigations however I will of course continue to monitor the Company's situation as the administration develops.

As part of my statutory duties as Administrator I will consider the conduct of the directors and any person considered a shadow or de facto director, in relation to their management of the affairs of the company.

The Administrator is required to submit a confidential report to The Department of Business Innovation & Skills on the conduct of any person that has been a director (or shadow director or de facto director) within three years prior to the date of administration. The Administrators' report must be submitted to the Department of Business Innovation & Skills within six months and its content is confidential and cannot be disclosed to creditors.

As part of their investigations the Administrator will consider, among other matters, the following:

- Statutory compliance issues

- Misfeasance or breach of duty

- Transactions at an undervalue and preferences

Creditors who wish to draw any matters to the attention of the Administrator should write to the Administrators at the address on the front of this report.

As part of my investigations I am reviewing the company transactions/ bank statements for the last 2 years in order to satisfy myself as to the validity of transactions.

I am also undertaking a review of the company assets and reconciling/comparing the extent of the company assets to its accounting records and other information received.

11. FURTHER INFORMATION

The Insolvency Service is the Government agency which regulates the insolvency profession, they provide a Complaints Gateway service which is a single portal for complaints against Insolvency Practitioners. For more details, please visit <http://www.bis.gov.uk/insolvency/contact-us/IP-Complaints-Gateway>

12. CONCLUSION

Pursuant to paragraph 51 of Schedule B1 to the Act, the Administrator's proposal will be considered at an initial meeting of the Company's creditors summoned in accordance with the Notice of meeting (Form 2 20B) accompanying this document

Subject to the approval of the proposal I will report on progress again approximately six months after the commencement of the administration, or at the conclusion of the administration, whichever is the sooner

As Administrator I have a duty to investigate what assets there are (including potential claims against third parties including the directors) and what recoveries can be made. Accordingly, if any creditor has any concerns regarding the way that the business has been conducted, or any information on potential recoveries for the estate, I would be grateful to receive written details. All such correspondence will be treated in strict confidence. This request for information is standard practice and does not imply any criticism or course of action against any person concerned in the management of the Company's affairs.

Mark Bowen
Administrator



31 May 2013

EXTRACTS FROM FINANCIAL STATEMENTS

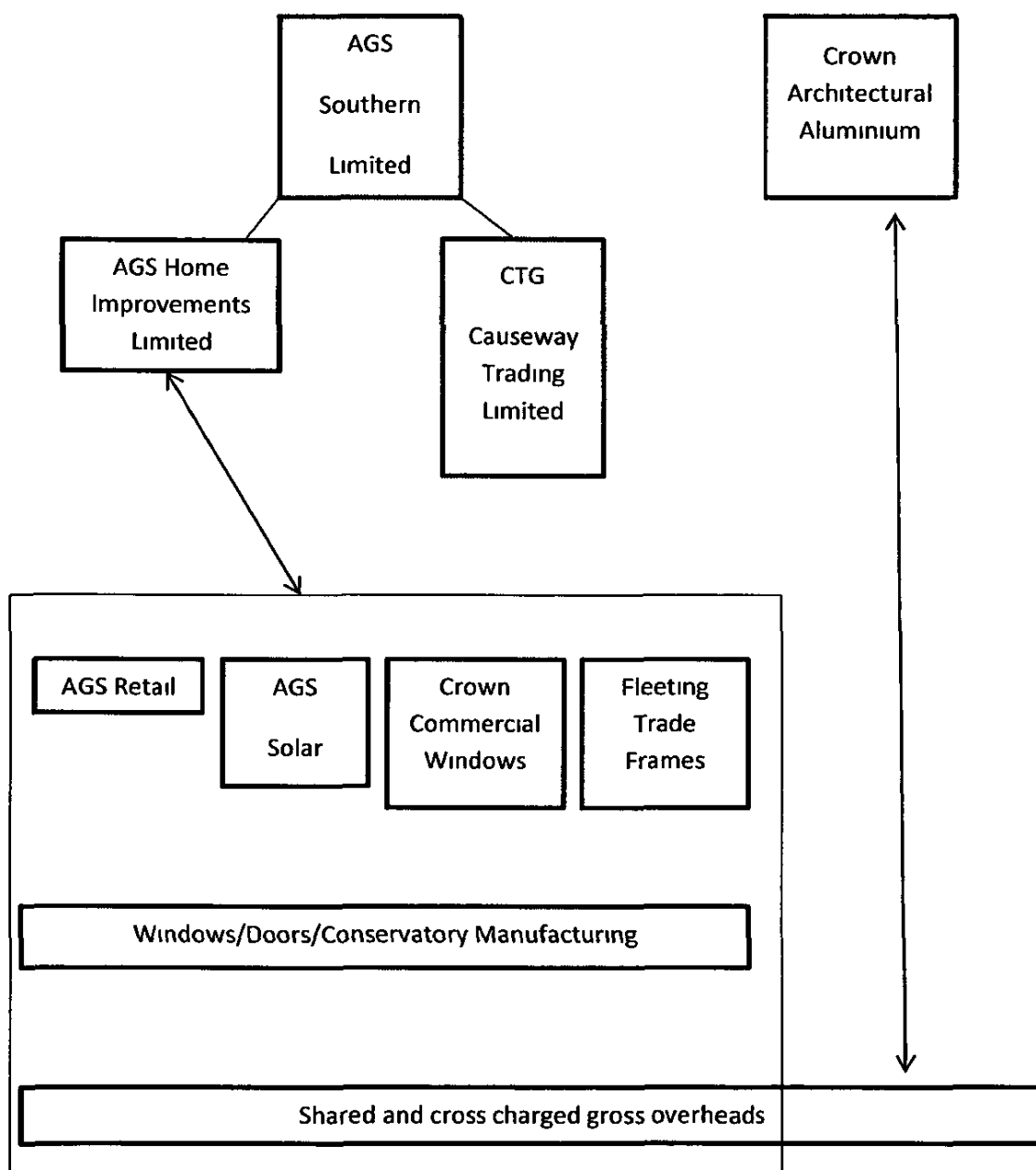
Balance Sheet

	Year Ended 31 December 2011	Year Ended 31 December 2010	Year Ended 31 December 2009
Fixed Assets	1,425,039	1,476,615	1,492,502
Current Assets	768,203	1,116,724	1,024,793
Creditors (Amounts falling due in one year)	(1,417,055)	(1,470,979)	(1,361,395)
Net Current Assets / (Liabilities)	(648,852)	(354,255)	(336,602)
Total Assets less Current Liabilities	776,187	1,122,360	1,155,900
Creditors (Amounts falling due after more than one year)	(185,541)	(232,874)	(244,799)
Provision for liabilities	(21,028)	(21,028)	(35,109)
Net Assets/ (Liabilities)	569,618	868,458	875,992

Capital & Reserves

	As at 31 December 2011	As at 31 December 2010	As at 31 December 2009
Called-Up Equity Share Capital	535,087	535,087	535,087
Share Premium Account	47,247	47,247	47,247
Other Reserves	35,000	35,000	35,000
Profit and Loss Account	(47,716)	251,124	258,658
Shareholders Funds	569,618	868,458	875,992

AGS Group of Companies - Structure



NB: All Companies have banking cross guarantees

A G S (Home Improvements) Limited (In Administration)				APPENDIX 2	
ADMINISTRATOR'S ACCOUNT OF RECEIPTS AND PAYMENTS, INCORPORATING ESTIMATED OUTCOME FOR CREDITORS					
Period 24/04/2013 to 31 May 2013					
	Estimated to realise as per Directors SOA	Receipts & Payments to date £	Administrator's Anticipated Receipts & Payments £	Projected Outcome £	Notes
ASSETS SUBJECT TO FLOATING CHARGE					
Customer Contracts	1	1		1	
Customer Records	1	1		1	
Goodwill	22,497	22,497		22,497	
Intellectual Property & Licences	1	1	-	1	
Office Furniture & Equipment	9,000	9,000		9,000	
Plant & Machinery	60,000	60,000		60,000	
Motor Vehicles	2,500	2,500		2,500	
Stock & Work In Progress	10,000	10,000		10,000	
Cash at bank	90,639	-	90,639	90,639	
Licence Fee			20,000	20,000	
Bank Interest		22	50	72	
Debtors not subject to fixed charge	181,835		181,835	181,835	
		104,022	292,524	396,546	
Payments					
Administrator's disbursements			(2,000)	(2,000)	
Administrator's post appointment fees			(40,000)	(40,000)	
Administrator's pre-appointment fee			(10,200)	(10,200)	
Agent's fees & expenses (pre appointment)			(3,200)	(3,200)	
Agent's fees & expenses (post appointment)			(8,650)	(8,650)	
Utilities			(515)	(515)	
Bordereau (statutory bond)			(1,040)	(1,040)	
Legal fees (pre - appointment)			(5,477)	(5,477)	
Legal fees (post appointment)			(13,466)	(13,466)	
ERA Assistance			(5,904)	(5,904)	
Property Costs - Rent/Rates			(3,000)	(3,000)	
Rent		(16,554)		(16,554)	
Pension Advisers Costs			(275)	(275)	
Statutory advertising			(500)	(500)	
		(16,554)	(94,227)	(110,781)	
Available for preferential creditors		87,468		285,765	
Arrears of wages and holiday pay		-		(121,606)	
Net property		87,468		164,159	
Prescribed part of net property set aside for unsecured creditors		-		(24,084)	
Available for floating charge holder		87,468		140,075	
Floating Charge Holder - Lloyds Bank TSB Plc **				-	
		-		140,075	
Summary of balances held					
Fixed charge		-			
Floating charge		87,468			
		87,468			
Held as					
Held to Administrators order		87,468			
VAT (Payable) / Receivable		-			
		87,468			
Summary of estimated outcome for unsecured creditors					
Fixed charge				-	
Prescribed part of net property set aside for unsecured creditors				24,084	
Less costs associated with prescribed part				-	
Floating charge				140,075	
Available for unsecured creditors				164,159	
** No liability to floating charge holder					
Notes					
A copy of the Director's statement of affairs is attached at Appendix 5					

A.G.S. (Home Improvements) Limited (In Administration)
Summary of remuneration for Period 24 April 2013 to 31 May 2013

Appendix 3

Classification of work	Partner	Senior Manager	Manager	Administrator	Support	Total Units	Time Cost £	Average Rate £/h
Pre-Appointment	250		120	8		378	10,020	265 08
Stat Compliance / Admin & Planning	64		110	89	25	328	6,130	186 90
Investigation				60		60	900	150
Realisation of Assets	222		55	1	5	283	7,850	277 39
Creditors	123		190	33	101	447	9,500	212 53
Case Specific Matters			90			90	1,800	200
Total	409		445	183	131	1546	36,200	234 15
Fees Drawn								

All time is recorded in units of six minutes. Therefore 1 unit equates to 6 minutes of time recorded.

Charge out Rates

Partner
Managers
Assistant Manager
Senior Administrator
Administrator
Senior Assistant/Cashier
Support Staff

From 13 February 2013
Rates depend on complexity of the case
£300
£225-250
£200
£175
£150
£150
£90-£150

Standard activity

Administration and planning

Statutory reporting and compliance
Compliance with other regulatory requirements
Case planning
Administrative set up
Appointment notification
Maintenance of records

Investigations

SIP 2 review
CDDA reports
Investigating antecedent transactions

Realisation of assets

Identifying, securing, insuring assets
Retention of title
Debt collection
Property, business and asset sales

Trading

Management of operations
Accounting for trading
On-going employee issues

Creditors

Communication with creditors
Creditors' claims (including employees' and other preferential creditors')

Case Specific

Landlord Issues/Sub-tenant access issues
Warranty Issues, Deposits/Guarantee scheme

A.G.S (Home Improvements) Limited (In Administration)**Summary of Category 2 Disbursements for Period 24 April 2013 to 31 May 2013****Category 1 disbursements**

	Incurred	Paid	Unpaid
	£	£	£
Bond	1040 00		
Advertising	188		
Postage	180 80		
Telephone			
Car Mileage			
Travel			
Subsistence			
External Room Hire			
External Photocopying			
External Records Removal			
Mail Re-direction			
Swear Fee			
Company Search			
Professional Fees			
Other			

Category 2 disbursements

	Incurred	Paid	Unpaid
	£	£	£
Photocopying / Printing	546 89		
Registered Office Fee	125		
IPS System Charge	125		
Mileage			
Room Hire			
Case Specific			

Category 2 disbursement rates

Photocopying / Printing	£0 17 per sheet
Fax	£0 40 per sheet
Colour photocopying	£2 50 per sheet
Storage of boxes internally	£4 00 per box
Destruction of boxes	£8 50 per box
IPS System Charge	£125 per case
Registered office fee	£125 per annum
Mileage	£0 40/£0 60 per mile
Room hire	£60 per hour where held at MBI offices

A.G.S (Home Improvements) Limited (In Administration)
Summary of Administration expenses for period 24 April 2013 to 31 May 2013

Nature of expense

	Provider	Basis of remuneration
Legal Fees – Pre Appointment	Harrison Clark Rickerbys LLP	Time Costs plus disbursements
Legal fees – Post Appointment	Harrison Clark Rickerbys LLP	Time Costs plus disbursements
Agents Fees – Pre Appointment	Deeley Matthews	Time Costs plus disbursements
Agents Fees – Post Appointment	Deeley Matthews	Time Costs plus disbursements
Insurance Fees	Marsh Limited	Risk Assessment Premium
Employee Specialists	Insol Employee Solutions Ltd	Fixed Fee
Administrator's Pre Appointment fees	MB Insolvency	Time Costs plus disbursements
Accountants Fees	Peplows Accountants	Fixed Fee
Pension Adviser Fees	Insol Financial Solutions Ltd	Fixed Fee

Expenses incurred and paid

	Incurred	Paid	Unpaid
	£	£	£
Harrison Clark Rickerbys – Pre Appointment	5,476 75		
Harrison Clark Rickerbys – Post Appointment	13,466		
Deeley Matthews – Pre Appointment	3,200		
Deeley Matthews – Post Appointment	8,650		
Marsh – Insurance Premiums	206		
Insol Employee Solutions Ltd	5,904		
MB Insolvency	10,020		
Peplows	2,000		
Insol Financial Solutions Ltd	275		



Appendix 3 - continued

Practice fee and disbursement recovery policy

Introduction

The insolvency legislation was changed in April 2010 for insolvency appointments commenced from that time in order to allow more flexibility on how an office holder's fees are charged to a case. This sheet explains how we may apply the alternative fee bases. The new legislation allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the court. Further detail about how an office holder's fees are approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP9). A copy of the relevant circulation listed in reports to creditors and is also available upon request.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the new legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under the old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

This is the basis that we use in the majority of cases using charge out rates appropriate to the skills and experience of each member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken. Cashiers, secretarial and support staff charge all the time they work as such work has not been allowed for in calculating the hourly rates charged by the partners and other staff. If such time were not charged our charge out rates for Partners and other staff would be approximately 20% higher. Time billed is subject to Value Added Tax (VAT) at the applicable rate.

Staff allocation and the use of sub-contractors

The administrators general approach to resourcing assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.



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The case team will usually consist of partner, senior manager/manager and administrator. The exact case team will depend on the anticipated size and complexity of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Administrator's charge out rate schedule below provides details of all grades of staff.

With regard to support staff, the Administrator advises that time spent by the cashier department in relation to specific tasks on an assignment is charged.

The following services are being provided on this assignment by external sub-contractors:

Service Type	Service Provider	Basis of fee arrangement	Cost to date£
Employee claims processing	Insol Employee Solutions Limited	Fixed Fee	£5,904.00

Charge out rates

Our charge out rates are reviewed periodically, our charge out rates are summarised below:

Charge out rates per hour effective from February 2013

Charge out rates per hour effective from May 2010

Grade	Hourly Rate (£)	Grade	Hourly Rate (£)
Partner	300	Partner	275-350
Managers	225-250	Senior Manager	225-250
Assistant Managers	200	Manager/Administrator	70-160
Senior Administrator	175	Support Staff	50-100
Administrator	150		
Senior Assistant/Cashier	150		
Support Staff/Secretary	90		

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Each unit of time is 6 minutes. The work is recorded under the following categories:

Administration and planning - which includes work such as planning how the case will be administered and progressed; the administrative set up of the case, notifying creditors and others of the appointment, keeping the records relating to the case up to date; case review, case progression meetings, and reporting on progress of the case to creditors and others.



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Investigations - which includes work such as undertaking an initial review of the financial affairs of the company and bankrupt, undertaking a detailed investigation with a view to making recoveries for the benefit of creditors where matters such as preferences or wrongful trading come to light as a result of the initial review; and reporting to the Insolvency Service on the conduct of the directors

Realisation of assets - which includes work such as identifying, securing and insuring assets, dealing with retention of title claims; collecting debts ; and selling assets

Employee matters - which includes work such as dealing with employees; and liaising with the redundancy payments office

Creditors - which includes work such as communicating with creditors; dealing with creditors' claims, and where funds permit, paying dividends to creditors

Trading - which includes work such as managing and controlling all aspects of the business, and maintaining financial records and information relating to that trading

Percentage basis

The new legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. Where we would like to realise any asset or type of assets on a percentage basis we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Fixed fee

The new legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. Where we would like to charge a set amount for a task or different set amounts for different tasks we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Value Added Tax

The officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's costs

Charged at cost based on the amount billed by the Agent instructed, the term Agent includes:

Solicitors, Legal Advisors, Debtor recovery specialists

Auctioneers, Valuers, Accountants

Quantity Surveyors

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Estate Agents

Document Storage Agents

Other Specialist Advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or MB Insolvency, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are postage, mail redirection, travel, swear fee, company searches, land registry searches, statutory advertising, external meeting room hire, external storage, specific bond insurance and subsistence,

Category 2 expenses are incurred by the firm and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage.

The category 2 disbursements that MB Insolvency apply, when seeking recovery, are as follows,

<u>Type</u>	<u>Rate</u>
Photocopying	17p per sheet
Room Hire (where MB insolvency room is used for formal meetings with external parties)	£60 per hour
Registered Office Fee	£125 per annum
Mileage	45p per mile
Insolvency Practitioners System	£125 per case



MB Insolvency [www mb-i.co.uk](http://www.mb-i.co.uk)

Professional advisors

On this assignment the Administrator has used the professional advisers listed below. The Administrator has also indicated the basis of their fee arrangement with them, which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
Harrison Clark Rickerbys	Time Costs & Disbursements
Deeley Matthews	Time Costs & Disbursements
Marsh Limited	Risk based premium
Insol Financial Services Limited	Fixed Fee

The Administrator's choice was based on his perception of the professional adviser's experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of his fee arrangement with them.

Appendix 4

A.G.S. (Home Improvements) Limited (“the Company”) (In Administration)

Statement of the Administrator’s pre-Administration costs

The Administrator makes the following statement in accordance with Rule 2.33 (2B) of the Insolvency Rules 1986 as amended (“the Rules”) in relation to his pre-Administration costs.

The Administrator’s pre-Administration costs comprise:-

	£
Pre-Administration time costs – abated	10,020.00
Pre-Administration expenses	
Legal costs	5,476 75
Agents costs	3,200.00
Pre-Administration disbursements	
Category 1	
Category 2 (see Appendix N2)	
Total	18,696.75

Further information on each category of pre-Administration cost is given below.

Pre-administration time costs of the Administrator

The Administrator’s pre-appointment time costs totals £10,020.00 and relates to costs incurred specifically with a view to Administration. These costs were all incurred on or after 16 April 2013 and in relation to the following activities:

- Confirming that one of the statutory objectives of administration could be achieved
- Meeting with 96 direct staff and 21 sub-contractors to explain the process and potential for redundancies
- Preparation of Sales Pack and meeting various interested parties onsite and providing relevant information
- Liaising with solicitors regarding drafting sales agreements and licences
- Liasing with agents regarding valuation versus potential offers
- Liaising with secured creditors, key stakeholders and major creditors.
- Carrying out all necessary steps in order to place the Company into Administration.

The agreement under which I incurred the pre-Administration costs was oral instructions from Mr Stuart Burgin, letter of engagement dated 16 April 2013 and Minutes of a meeting of the Board dated 15 April 2013.

Pre-Administration expenses

Details of pre-Administration expenses which have been incurred with a view to the Company's administration are

Advisor	Date of engagement	Fees (£)
Harrison Clark Rickerbys	16 April 2013	5,476.75
Deeley Matthews	16 April 2013	3,200.00
Total		8,676.75

I instructed Harrison Clark Rickerbys to draft the Purchase and Sale Agreement with AGS Home Improvements Devon Limited, deal with the steps necessary to effect my appointment at Court, review the Company memorandum and articles, reviewing lease agreement. Drafting licence documentation

These pre-Administration expenses have been incurred by Harrison Clark Rickerbys on a time cost basis, plus disbursements.

I instructed Deeley Matthews to carry out an inventory and valuation of the Company's assets on going concern, in situ and ex situ basis and a forced sale basis, and to advise me with respect to the offer received by the various parties for its business and assets. To provide advice on potential security issues upon appointment.

These pre-Administration expenses have been incurred by Deeley Matthews on a time cost basis, plus disbursements.

Work done

In this case, further work was also done in the interests of creditors prior to my appointment as Administrator to prepare for the sale of the business and assets shortly following my appointment. It will be appreciated that, had this commercial opportunity not been available, it would have still been necessary to obtain valuations and instruct agents and solicitors to assist in disposing of the assets following my appointment, and for me to manage and oversee the process. To that extent, these costs are not additional costs that would have been saved had the assets been disposed of later.

Other persons entitled to claim

I am unaware of any additional costs incurred by any other professionals qualified to act as an insolvency practitioner in respect of the Company. Should any such claims subsequently come to light, they will be dealt with in the manner provided for by the Insolvency Rules.

Not part of the Administrators' Proposals

Please note that my request for payment of pre-Administration costs is separate to and does not form part of my Proposals to creditors for the conduct of the administration.

A.G.S (Home Improvements) Ltd
Statement Of Affairs as at 24 April 2013

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Assets subject to floating charge:		
Uncharged assets:		
Plant & Machinery	95,000 00	45,000 00
Office Furniture & Equipment	14,250 00	9,000 00
Motor Vehicles	2,900 00	2,500 00
Customer Records	1 00	1 00
Stock/WIP	10,000 00	10,000 00
Book Debts	363,670 00	181,835 00
Goodwill	22,497 00	22,497 00
Intellectual Property	1 00	1 00
Customer Contracts	1 00	1 00
Cash at Bank	90,639 00	90,639 00
Estimated total assets available for preferential creditors		361,474 00

Signature _____ Date _____

A G.S. (Home Improvements) Ltd
Statement Of Affairs as at 24 April 2013

A1 - Summary of Liabilities

		Estimated to Realise £
Estimated total assets available for preferential creditors (Carried from Page A)		361,474 00
Liabilities		
Preferential Creditors -		
DE Arrears & Holiday Pay	121,606 00	121,606 00
Estimated deficiency/surplus as regards preferential creditors		239,868 00
Debts secured by floating charge pre 15 September 2003		
Other Pre 15 September 2003 Floating Charge Creditors		NIL
		239,868 00
Estimated prescribed part of net property where applicable (to carry forward)		NIL
Estimated total assets available for floating charge holders		239,868 00
Debts secured by floating charges post 15 September 2003		
		NIL
Estimated deficiency/surplus of assets after floating charges		239,868 00
Estimated prescribed part of net property where applicable (brought down)		NIL
Total assets available to unsecured creditors		239,868 00
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	887,543 53	
Employees Redundancy/notice pay	753,904 00	
Inland Revenue	320,319 00	
Customs & Excise	189,296 00	
		2,151,062 53
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(1,911,194 53)
Estimated deficiency/surplus as regards creditors		(1,911,194 53)
Issued and called up capital		
Ordinary Shareholders	100 00	100 00
Estimated total deficiency/surplus as regards members		(1,911,294 53)

Signature _____ Date _____

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CA00	A & D Insustrial Supplies Brunel Road Newton Abbott TQ12 4PB	1,798 25	0 00	1,798 25
CA0D	ABC & Siddalls Skip Hire Newton Road Torquay TQ2 7HX	1,451 00	0 00	1,451 00
CA0F	Acorn Plastering Services Newton Abbot Devon TQ12 2EW	89 50	0 00	89 50
CA0E	Adam Birch (CIS) 9 Simon Court Hoxton Road Torquay Devon TQ1 1JQ	3,094 03	0 00	3,094 03
CA0O	Adhesive Specialities Limited M41839 Suite 615 24-28 St Leonards Road Windsor Berkshire SL4 3BB	396 41	0 00	396 41
CA0P	Adrian Beal Self Employed 18 Elm Park Paignton Devon TQ3 3QH	862 75	0.00	862 75
CA08	ADS Window Films Limited Weston Park Road Plymouth Devon PL3 4NU	2,208 00	0 00	2,208 00
CA09	Afresh Energy Limited Kimpton Road Luton Bedfordshire LU2 0SX	2,898 36	0 00	2,898 36
CA0B	Aggregate Industries Uk Limited Coalville Leicestershire LE67 1TL	904.48	0 00	904 48
CA04	AJB Electrical Limited	748.80	0 00	748 80
CA0I	Alan Richards Self employed	858 47	0 00	858 47
CA0C	Aldermore Invoice Finance Limited Rainbow Arches Limited 7 Charlotte Steeet Manchester M1 4DZ	7,557.51	0 00	7,557 51

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CA01	Allied (Tooling) Limited Document reference 16834 19 Willis Way Poole Dorset BH15 3SS	948 54	0 00	948 54
CA0K	Allstar Business Solutions Limited Windmill Hill Swindon SN5 6PS	1,006 14	0 00	1,006 14
CA02	Amerys Devon	19 20	0 00	19 20
CA0H	Andrew Stone (CIS) Middle Warberry Road Torquay Devon TQ1 1RN	31 50	0 00	31 50
CA0G	Andy McGill (CIS) Exmouth Devon EX8 1NH	270 56	0 00	270 56
CA0A	Anixter Limited Account Number 45920 Sheffield S2 4EB	462 00	0.00	462 00
CA06	Ansom More Limited Oak Hill, Wood Street Guildford Surrey GU3 3ET	452 88	0 00	452.88
CA0J	Anthony Robinson Self employed 19 Poole Park Road St Budeaux Plymouth PL5 1JH	981 25	0 00	981 25
CA05	A-Sign Co Newton Abot Devon TQ12 4PB	46 20	0 00	46 20
CA03	Astra Building Supplies Limited AGS Minerva Way Brunel Road Newton Abbot TQ12 4PB	6,484 21	0 00	6,484 21
CA07	Avocet Hardware Limited 117/LML/DUF 11 9 Cardinal House 20 St Mary's Parsonage Manchester M3 2LY	1,451 05	0 00	1,451 05

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CA0M	Axa Insurance P O Box 229 Lytham St Annes FY8 9BN	2,324 37	0 00	2,324 37
CB09	Balance Uk Limited Mortock Somerset TA12 6HB	380 98	0 00	380 98
CB0A	Barry Cossey Self employed 2 Morden Hall Warren Road Toquay TQ2 5TU	3,520 00	0 00	3,520 00
CB0C	Bay Lift Services (UK) Ltd Hill Village Business Park Filleigh EX32 0RP	836 70	0 00	836 70
CB03	Boyce & Packaging Limited Devon EX5 2LJ	324 00	0 00	324 00
CB02	Bradforbs Building Supplies Honiton Devon EX14 2EZ	9,787 98	0 00	9,787 98
CB08	British Board of Agreement Garston Watford Herts WD25 9BA	1,182 00	0 00	1,182 00
CB07	British Fenestration London SE1 1EU	840 00	0 00	840 00
CB01	British Telecom Harvester Fleet GU51 2QP	48 96	0 00	48 96
CB04	Brook Design Hardware Limited Dunmurry Ind Estate Belfast BT17 9GW	344 88	0 00	344 88
CB05	Brunel Road Timber Limited Brunel Road Newton Abbot Devon TQ12 4BB	253 92	0 00	253 92
CB06	BTE Services Limited Station Road Liskeard Cornwall PL14 4DA	71 76	0 00	71 76

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CB00	Buyrite Tyres Limited Brunel Road Newton Abbot TQ12 4PB	2,892 84	0 00	2,892 84
CC00	Caldwell Hardware Binley Industrial Estate Coventry CV3 2RQ	1,175 20	0 00	1,175 20
CC0B	Cannon Commercials Limited Heathfield Industrial Estate Newton Abbot Devon TQ12 6UD	427 68	0 00	427 68
CC06	Cardnet Limited	511 62	0.00	511 62
CC0C	Carl F Groupco Limited Orton Southgate Peterborough PE2 6WA	443 45--	0 00	443 45
CC04	Carval Computing Limited Plymouth PL6 8BY	590 08	0 00	590 08
CC07	Causeway Trading Group Limited Marsh Lane Hayle Cornwall TR27 5JR	150 38	0 00	150 38
CC0A	Cavalok Building Products Limited Mythe Business Centre Tewkesbury Gloucestershire GL20 6EA	6,539 27	0 00	6,539 27
CC03	Challenge Alarm Services Grange Hill Ind Estate Bratton Fleming Barnstaple Devon EX31 4UH	60 00	0 00	60 00
CC0E	Chase Templeton Ltd A95066975 Crossways Road Bridgewater Somerset TA6 6LS	428 93	0 00	428 93
CC02	City Electrical Factors Limited Hedley Units Brunel Road Newton Abbot TQ12 4PB	362 01	0 00	362 01
CC05	Climatic Engineering Limited Heathfield Ind Estate Newton Abbot Devon TQ12 6SH	135 00	0 00	135 00

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CC0H	Close Premium Finance Tolworth Tower Ewell Road Tolworth Surrey KT6 7EL	1,845 38	0 00	1,845 38
CC08	Colour Glaze Paignton Devon TQ4 5LN	1,368 00	0 00	1,368 00
CC01	Concorde I Limited Exeter Airport Clyst Honiton Exeter EX5 2UL	624 22	0 00	624 22
CC0D	Cornwall Glass & Glazing Limited Holbush Industrial Estate St Austell Cornwall PL25 3JQ	6,366 85	0 00	6,366 85
CC09	Crown Architectural Aluminium Limited Brunel Road Newton Abbot Devon TQ12 4PF	24,103 17	0 00	24,103 17
CC0G	Crown Imperial Industries Limited G21157 London W6 9AR	206 95	0 00	206 95
CD0B	David Alan Richards Self Employed Menacudale Lane St Austell Cornwall PL25 5QN	1,246 22	0 00	1,246 22
CD08	Days Contract Hire A4290 Garngoch Swansea SA4 4LL	1,330 31	0 00	1,330 31
CD01	DB Glass Newton Abbot Devon TQ12 4PJ	138,322 80	0 00	138,322 80
CD04	Devon & Cornwall Fibreglass St Anna Chappel Gunnislake Cornwall PL18 9TD	53 65	0 00	53 65
CD00	Devon & Cornwall Newspapers 63 Wolborough House Newton Abbot Devon TQ12 1NE	468 00	0 00	468 00

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CD03	Devon Commercial Stationers Limited Marsh Barton Exeter Devon EX2 8QW	37 51	0 00	37 51
CD02	Devon Double Glazing Limited Torquay Devon TQ1 1QG	3,500 63	0 00	3,500 63
CD06	Dominic Packer V/a D Packer Services (CIS) Self Employed 134 Oakland Road Buckland Newton Abbot Devon TQ12 4EF	1,764 36	0 00	1,764 36
CD05	DS Smith Paper Limited 11 Beddau Way Caerphilly CF38 2AX	439 72	0 00	439 72
CD07	Duncan Rorke (CIS) Self Employed 16 Berrywoods Newton Abbot Devon TQ12 1UP	2,139 43	0 00	2,139 43
CE09	E & JW Glendinning Limited Ashburton Newton Abbot Devon TQ13 7LF	96 66	0 00	96 66
CE07	E & JW Glendinning Limited Ashburton Newton Abbot Devon TQ13 7LF	1,975 87	0 00	1,975 87
CE08	E Wiltshire & Son Limited Account 21758 Babbacombe Torquay Devon TQ1 3TA	409 44	0 00	409 44
CE06	E ON UK PLC Westwood Business Park Coventry CV4 8LG	6,307 68	0 00	6,307 68
CE02	Edmundson Electrical Limited Account Number 903034 Angle Office Park Clarence Road Kingswood Bristol TQ2 7QL	645 28	0 00	645 28

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CE03	EMS Environmental Services Sidmouth Road Clyst St Mary Exeter EX5 1DR	409 20	0 00	409 20
CE00	Environmental Services	48 00	0 00	48 00
CE05	ERA Security Hardware Limited Short Heath Willenhall WV12 5RA	6,029 52	0 00	6,029 52
CE04	Eurocell Building Plastics Limited Crossways Business Park Dartford Kent DA26 QLT	116,773 95	0 00	116,773 95
CE01	Eurocell Profiles Clovernook Road Alfreton Derbyshire DE55 4HJ	222,705 09	0 00	222,705 09
CF00	Fensa Limited London SE1 1EU	106 20	0 00	106 20
CF02	Finecal Distributors Cole Road Bristol BS2 OUG	898 37	0 00	898 37
CF03	First DNS Limited Orpington Kent BS2 OUG	19 20	0 00	19 20
CF01	Flogas Britain Limited Watermead Business Park Syston Leicestershire LE7 1PF	123 36	0 00	123 36
CF04	Forrester UK Holdings Limited West Drayton Middlesex UB7 9BL	219 22	0 00	219 22
CF05	Fullstop Fire & Security AGS001 Chancel Lane Exeter Devon EX4 8JU	153 70	0 00	153 70
CG03	G T Windows Limited Oakfield Close Tewkesbury Business Park Tewkesbury Gloucestershire GL20 8PF	450 00	0 00	450 00

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CG01	G G F Fund Limited London SE1 1XB	4,487 40	0 00	4,487 40
CG08	G24 Limited 208130413023 Gerrards Cross Bucks SL9 8WT	95 00	0 00	95 00
CG04	Garage Door Services Limited Collett Way Brunel Industrial Estate Newton Abbot Devon TQ12 4PH	7,295 14	0 00	7,295 14
CG00	GBW Panels Ltd Reference A066 Wainwright Road Warndon Worcestershire WR4 9FA	326 43	0 00	326 43
CG06	Geocel Limited Langage Science Park Plympton Plympton Devon PL7 5BG	3,801 60	0 00	3,801 60
CG09	Gill Retallick Self Employed 41 Trevean Way, Pentire Newquay	1,503 37	0 00	1,503 37
CG05	Glass Fibre Solutions Limited Coppice Trading Estate Kidderminster Worcs DY11 7QY	840 24	0 00	840 24
CG07	Gordan Brett Self employed	48 34	0 00	48 34
CG02	Greenham Trading Limited reference A057312 Isleworth Middlesex TW7 4EX	800 08	0 00	800 08
CH07	Hall & Coombe Ogwell Devon TQ12 6FA	248 61	0 00	248 61
CH03	Hallmark Panels Limited D/LBA/PI/Hall/710040/348 Pre-Issue Section, Capitol Building 10 Seaview Road Wallasey CH45 4TH	172 99	0 00	172 99

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CH01	Hammer Scaffolding Thornfalcon Taunton TA3 5NF	1,378 80	0 00	1,378 80
CH06	Harborn Recruit Ltd Quay Road Newton Abbot Devon TQ12 2BU	2,131 80	0 00	2,131 80
CH00	Heathfield Rentals Limited Heathfield Newton Abbot Devon TQ12 6UE	1,023 61	0 00	1,023 61
CH08	Hibu Forbury Road Reading RG1 3YL	2,400 00	0 00	2,400 00
CH09	HM Revenue & Customs 8801517805 Debt Management Enforcement & Insolvency , D Barrington Road Worthing West Sussex BN12 4SE	509,615 47	0 00	509,615 47
CH02	Hurst Plastics Limited Kingston International Business Par Somerden Road Heden Road Hull, HU9 5PE	192 00	0 00	192 00
CI02	Inkost Limitd Brunel Road Newton Abbot Devon TQ12 4FD	801 27	0 00	801 27
CI01	Inter-line (South West) Limited AE/M056940 Pennine House 8 Stanford Street Nottingham NG1 7BQ	404 57	0 00	404 57
CI00	Ireally Limited	336 00	0 00	336 00
CI03	IT Electrical Contractors Alphington Exeter EX2 8FH	2,961 72	0 00	2,961 72
CJ01	J N Building Services Limited Old Cyder Works Abbotskerswell Newton Abbot Devon TQ12 5NF	178 49	0 00	178 49

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CJ04	Jack Cooper (CIS) Budleigh Salterton Devon EX9 6SF	308 72	0 00	308 72
CJ02	JCD Electrical Plymouth Devon PL9 8QX	1,942 20	0 00	1,942 20
CJ00	Jewson Glasgow G51 9AB	5,421 31	0 00	5,421 31
CJ03	John Lampier & Son Limited Richmond Hill Clifton Bristol BS8 1AT	4,098 95	0 00	4,098 95
CK03	K3 Panacea Limited Station Road Hook Hampshire RG27 9JF	1,462 80	0 00	1,462 80
CK02	Keir Construction Sandy SG19 2BD	100 00	0 00	100 00
CK04	Kevin Green (CIS) Broadfields Exeter Devon EX2 5NT	35 75	0 00	35 75
CK01	Keyline Builders Merchants Limited 282403 93 Queen Street Sheffield S1 1WF	1,654 83	0 00	1,654 83
CK00	Kingfisher Print & Design Limited Totnes Industrial Estate Totnes Devon TQ9 5XN	445 20	0 00	445 20
CL01	L J Pratley & Partners Limited Billericay Essex CM12 0DU	1,130 06	0 00	1,130 06
CL03	Laminated Supplies Limited Valletta Street Heddon Road Hull Humberside HU9 5NP	1,964 98	0 00	1,964 98
CL04	Lazerpics newton Abbot Devon TQ12 2DA	214 80	0 00	214 80

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CL06	LB Supplies Concorde Way Mansfield NG19 7JZ	4,007 70	0 00	4,007 70
CL07	Lee Selvey (CIS) Self Employed 43 North Furzeham Road Brixham Devon TQ5 8BB	4,840 49	0 00	4,840 49
CL02	Leese's Limited Exmouth Devon EX8 2TB	885 60	0 00	885 60
CL05	Link Mailing Systems Limited Gemeni Business Park Warrington Cheshire WA5 7TN	122 51	0 00	122 51
CL00	Lloyds TSB Commercial Finance Canons Way Bristol BS1 5LL	750 60	0 00	750 60
CM07	Malcolm Hipkiss Self employed	450 00	0 00	450 00
CM03	Marmik Window Machinery Newton Abbot Devon TQ12 4NY	315 00	0 00	315 00
CM04	MBA Associates Limited Andoversford Nr Cheltenham Gloucestershire GL54 4LB	2,400 00	0 00	2,400 00
CM05	Mod-Dec South West Limited Preston Paignton Devon TQ3 2LH	56.00	0 00	56 00
CM01	Monks & Crane Limited A40417 Atlantic Way Wednesbury West Midlands WS10 7WW	823 32	0 00	823 32
CM00	Mr A Beal Sub Contractors payments - Paignton Devon TQ3 3QH	531 25	0 00	531 25
CM06	Mr Mark Cummings self employed 19 Priory Mill Plymton Plymouth PL7 4AB	726 08	0 00	726 08

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CM08	Mr Paul Jarvis Self employed	75 00	0 00	75 00
CM09	Mrs M J Batten Bellhangers Cottage 48 Greenway Woodbury EX5 1LU	1,200 00	0 00	1,200 00
CN04	National Insurance Fund	121,606 00	0 00	121,606 00
CN05	National Insurance Fund	753,904 00	0 00	753,904 00
CN00	Newton Hose Supplies Newton Abbot TQ12 3SJ	73 60	0 00	73 60
CN02	Newton Printers Brunel Industrial Estate Newton Abbot Devon TQ12 4BH	292 80	0 00	292 80
CN01	Nick Ferris Skip Hire Ltd Packsaddle Penryth Cornwall TR10 8JB	780 00	0 00	780 00
CO02	Office Team Limited 500 Purley Way Croydon Surrey CR20 4NZ	1,123 08	0 00	1,123 08
CO00	Olympic Contractor Rentals Limited Uxbridge Middlesex UB10 8LJ	936 00	0 00	936 00
CO01	Omega (Roofing) Plastics Limited Alswear Old Road South Molton Devon EX36 4LE	1,960 79	0 00	1,960 79
CP01	Packexe Limited Marsh Barton Exeter Devon EX2 8NJ	454 43	0 00	454 43
CP0C	Paul Jarvis Self Employed 1 Rosehip Close Woolwell Plymouth PL6 7TF	75 00	0 00	75 00
CP06	Pavey Insurance & Financial Services Teignmouth Devon TQ14 8AS	130 00	0 00	130 00

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CP02	Pendragon Contracts Limited Sir Frank Whittle Road Derby DE21 4AZ	3,577 89	0 00	3,577 89
CP0B	Peplows Chartered Accountants LI/RF/AG1717 King Street Newton Abbot Devon TQ12 2LG	3,120 00	0 00	3,120 00
CP09	Philip Steele Limited Buttlands Ind Estate Totnes Road Newton Abbot Devon TQ12 5UE	2,502 00	0 00	2,502 00
CP00	Phoenix Scaffolding Huxley Close Newnham Industrial Estate Plympton Plymouth PL7 4JN	2,601 60	0 00	2,601 60
CP05	Phoenix Tools & Diamonds Limited Strap Lane Kingsteignton Devon TQ12 3XF	2,905 87	0 00	2,905 87
CP04	Plastic Parts Direct Limited Banbury OX16 4UZ	25 13	0 00	25 13
CP07	Plastics Window Federation Luton Bedford LU1 5AF	840 00	0 00	840 00
CP03	Pollards Print Management Limited Falcon Road Exeter EX2 7NU	136 80	0 00	136 80
CP0A	Precision Windows Torquay Devon TQ1 1LE	276 01	0 00	276 01
CP08	Premo Construction Limited Ivybridge Devon PL21 9AP	125 00	0 00	125 00
CQ01	Quality Assured National Warranty Ayr KA7 1NS	35 25	0 00	35 25
CQ00	Quantal Limited Battle Road Heathfield Ind Estate Newton Abbot Devon TQ12 6RY	96 18	0 00	96 18

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CR07	R W Simon Limited Hatchmoor Industrial Estate Torrington Devon EX38 7HP	417 00	0 00	417 00
CR06	Radio Scilly Limited St Mary,s Isles of Scilly TR21 0JY	500 00	0 00	500 00
CR08	Recommends	150 00	0 00	150 00
CR05	Reich Insurance 197 Chapel Road Manchester M3 5EQ	14,363 05	0 00	14,363 05
CR04	Reliant Metal Forming Limited Quay Road Brunel Industrial Estate Newton Abbot Devon TQ12 4AD	2,141 48	0 00	2,141 48
CR02	Rentokil Pest Control UK Dudley DY1 9EY	225 07	0 00	225 07
CR09	Resad Hassan (CIS) Self Employed 38 Berea Road Torquay Devon TQ1 1JP	2,054 09	0 00	2,054 09
CR01	Retail Concession Management Stadium WAy Harlow Essex CM19 5GX	480 00	0 00	480 00
CR03	Right Angle Limited Hatherleighh Industrial Estate Hatherleigh Devon EX20 3LP	10,332 28	0 00	10,332 28
CR00	Robert Harvey Print & Design Shiphay Torquay Devon TQ2 7DE	510 60	0 00	510 60
CS0M	S J Windows & Doors Exeter EX4 8AS	2,009 51	0 00	2,009 51
CS0D	S&S Plastics Limited Station Park Kirkby-In-Ashfield Nottinghamshire NG17 7RB	2,350 80	0 00	2,350 80

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CS0H	SCCS	300 00	0 00	300 00
CS08	Schuring Window Technology Walkers Road North Moons Moat Worcs B98 9HD	550 26	0 00	550 26
CS07	Securistyle Limited Princess Elizabeth Way Cheltenham Glos GL51 7RE	6,878 10	0 00	6,878 10
CS0I	Segen Limited JMR(sa)/SEG 2 9 Waters Edge Riverside Way Watchmoor Park, Camberley, Surrey GU15 3YL	4,057 55	0 00	4,057 55
CS06	SFS Intec Limited Account no 244643 Leeds LS4 2AT	1,390 28	0 00	1,390 28
CS0K	SGPPL TYGAFLOR LTD	359 79	0 00	359 79
CS0P	Shawbrook Asset Finance Agreement no 005267210 Wisbech Cambridgeshire PE14 OEX	443 00	0 00	443 00
CS0E	Sherwoods Bedford TW14 8BS	351 88	0 00	351 88
CS0Q	Simon Brereton Self Employed 112 St Kathernes Road Beacon Heath Exeter EX4 7JJ	2,009 51	0 00	2,009 51
CS0C	Sliding Doors & Windows Helton Business Park Old Newton Road Heathfield Newton Abbot TQ12 6RN	6 30	0 00	6 30
CS0A	Smart Systems Limited PI/724586/94 Capitol Buildings 10 Seaview Road Wallasey CH45 4TH	12,031 92	0 00	12,031 92
CS0J	Sombuild Surveys Lower Budleigh Budleigh Salterton East Devon EX9 7DL	260 00	0 00	260 00

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CS0F	Sound Financial Management Victoria Wharf Plymouth Devon PL4 ORF	1,750 00	0 00	1,750 00
CS0G	South West Roofing Supplies Devenpot Plymouth PL1 4LL	293 73	0 00	293 73
CS04	South West Water reference 15118662 01 Worthing BN11 9NT	581 75	0 00	581 75
CS0B	Sprint Print Company Limited Exeter Airport Business Park Clyst Honiton Exeter EX5 2UL	264 00	0 00	264 00
CS0O	Stan Potts Self employed	214 20	0 00	214 20
CS0N	Stephen Stapleton (CIS) Self Employed 25 Bakers Close Plympton Plymouth Devon PL27 2GH	2,568 54	0 00	2,568 54
CS00	Steve Andrews (Tyres) Bodmin Truro Cornwall PL25 3LD	236 90	0 00	236 90
CS0L	Steve Brown (CIS) Self Employed 90 Blatchcombe Road Paignton Devon TQ3 2JS	1,541 60	0 00	1,541 60
CS02	Still Materials Handling Limited Leyland Preston PR26 7UX	27 25	0 00	27 25
CS09	Strand Hardware Limited Walsall West Midlands WS2 9DY	2,109 06	0 00	2,109 06
CS01	Stuart Burgin Membland Newton Ferrers Plymouth PL8 1HT	222 75	0 00	222 75

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CS05	Supa Roofing & Power Tool Centre Account Number SA134SB Kingskerwell Devon TQ12 5AU	1,319 18	0 00	1,319 18
CS03	Supercharge Windmill Hill Swindon SN5 6PS	2,582 00	0 00	2,582 00
CT00	Teignbride District Council Newton Abbot Devon TQ12 4YR	1,824 90	0 00	1,824 90
CT0D	Teignbridge District Council - Kiosk 94002611520 Forde House Brunel Road Newton Abbot South Devon TQ12 4YZ	246 58	0 00	246 58
CT0B	Terry McCann Self employed 9 Rougemount Court Farmhouse Rise Exminster EX6 8TQ	2,045 03	0 00	2,045 03
CT0C	Terry Pope Self employed 25 Stonelands Park Dawlish Devon TQ7 9BJ	780 00	0 00	780 00
CT06	Thirsty Work Exeter Devon EX4 3YH	135 00	0 00	135 00
CT02	Thompson Directories Limited 296 Farnborough Road Farnborough Hampshire GU14 7NU	358 80	0 00	358 80
CT09	Till & Whitehead Limited 66 Barrington Road Altrincham Cheshire WA14 1HY	2,766.51	0 00	2,766 51
CT01	Titon Hardware Limited CROWNWIN-000 Peartree Road Stanway Colchester Essex CO3 5JX	4,367 24	0 00	4,367 24

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CT05	TNT UK LIMITED Account Number 0310286409 Ramsbottom Bury Lancashire BL8 9AR	60 62	0 00	60.62
CT0A	Tony Stevens t/a Tony Stevens Installations Self Employed 9 Kingfisher Close Willows Torquay Devon TQ2 7TF	1,492 00	0 00	1,492 00
CT08	Tor Multimix Limited Thomas Way Ind Estate Glastonbury BA6 9LU	213 60	0 00	213 60
CT07	Torbay & South West Of England	50 00	0 00	50 00
CT04	Total Scaffolding Limited Newton Abbot Devon TQ12 4SG	1,864 50	0 00	1,864 50
CT03	Travis Perkins Trading Company Limited 93 Queens Street Sheffield S1 1WF	1,297 89	0 00	1,297 89
CV02	VBH (GB) Limited Account Number AGS00010 Bailey Drive Gillingham Business Park Gillingham Kent ME8 OWG	39,911 89	0 00	39,911 89
CV08	Victoria Windows & Doors Mid Devon Business Park Four Cross Avenue Willand Devon EX15 2EZ	14,482 52	0 00	14,482 52
CV00	Virgin Media Business P O Box 4459 Worthing BN13 1XP	39 61	0 00	39 61
CV01	Vindor Waste Management Ltd Youngman Place Priory Bridge Road Taunton Somerset TA1 1AP	9,810 47	0 00	9,810 47
CV05	Vision Publications Old Farm Lane Hoggrills Ende Warwickshire B46 2DL	654 00	0.00	654 00

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CV06	Vista Panels Limited Prenton Merseyside CH43 3DU	1,282 21	0 00	1,282 21
CV03	Vita Hardware Limited Lowfields Close Lowfields Business Park Elland West Yorkshire HX5 9DX	3,068 28	0 00	3,068 28
CV04	Vodafone Corporation Limited Brunell Drive Newark Nottinghamshire NG24 2EG	1,583 88	0 00	1,583 88
CV07	Volksburg Limited Barton Industrial Estate Barton Road Torquay Devon TQ2 7NS	7,409 00	0 00	7,409 00
CW01	Wessex DAF Trucks Account A1270 Heathfield Newton Abbot Devon TQ12 6UE	10 32	0 00	10 32
CW02	West Country Vending Service Peasedown St John Bath BA2 8DH	422 72	0 00	422 72
CW00	Westward Instruments Limited Pensilva Ind Estate St Ive Road Pensilva Liskeard PL14 5RE	466 20	0 00	466 20
CW04	Wezley Day (CIS) Newton Abbot Devon TQ12 2PT	97.00	0.00	97 00
CW06	William Pollard & Co Limited Account Number AGS0559 Falcon Road Exeter Devon EX2 7NU	136 80	0 00	136 80
CW03	Window Ware Cross Park Bedford Bedfordshire MK42 OPQ	245 88	0 00	245 88

MB Insolvency
A.G.S. (Home Improvements) Ltd
Creditors with Statement of Affairs Figures

Key	Name	SofA 1	SofA2	SofA Total
CY00	Yale Door & Window Solutions Reference MFG Willenhall West Midlands WV13 3PW	13,100 77	0 00	13,100 77
CY01	Yes 2 Solutions Limited North Road Loughborough LE11 1LE	52 80	0 00	52 80
CY03	YNNS Limited Plympton Plymouth Devon PL7 5EB	84 00	0 00	84 00
220 Entries Totalling		2,272,669.00	0.00	2,272,669.00

ADMINISTRATION – A GUIDE FOR UNSECURED CREDITORS

Administration – When a company is facing financial difficulties it can be placed into administration. This means that the affairs, business and property of the company will be managed by a person appointed for that purpose.

A licensed insolvency practitioner has given you this because you, or your business, may be owed money by a company that is in administration.

This guide aims to help you understand your rights as a creditor and to describe how best these rights can be exercised. It is intended to relate only to England and Wales. It is not an exhaustive statement of the relevant law or a substitute for specific professional or legal advice.

Depending on the circumstances of the case, creditors who play an active role in an insolvency can make a significant difference to how much the insolvency practitioner will be able to recover for them. We hope that you will read this guide carefully and consider whether taking an active role as a creditor in this case could benefit you or your business.

In what circumstances does a company find itself in administration?

When a company is facing financial difficulties it can be placed into administration. This means that, during the period for which it is in administration, the affairs, business and property of the company will be managed by a person ('the administrator') appointed for that purpose. The administrator must be a licensed insolvency practitioner.

How can a company be placed into administration?

A company may be placed into administration

- by an order of the court, on application by, amongst others, the company, its directors, one or more creditors, or, if it is in liquidation, its liquidator,
- without a court order, by the direct appointment of an administrator by the company, its directors or a creditor who holds comprehensive security of a type which qualifies him to make such an appointment.

What is the purpose of administration?

The administrator must perform his functions with the objective of

- rescuing the company as a going concern, or
- achieving 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), or
- realising property in order to make a distribution to one or more secured or preferential creditors.

The administrator must perform his functions with the first of these objectives unless he thinks either

- that it is not reasonably practicable to achieve that objective, or
- that the second objective would achieve a better result for the company's creditors as a whole.

The administrator may perform his functions with the third objective only if

- he thinks that it is not reasonably practicable to achieve either of the first two objectives, and
- he does not unnecessarily harm the interests of the creditors of the company as a whole.

What are the powers of an administrator?

An administrator's powers are very broad. They include powers to carry on the company's business and realise its assets. The administrator displaces the company's board of directors from its management function and has the power to remove or appoint directors.

The administrator must prepare proposals for approval by the creditors setting out how he intends to achieve the purpose of administration.

Does the administrator pay unsecured creditors the money owed to them?

Debts due to unsecured creditors are frozen at the date of the administrator's appointment.

If the outcome of the administration is survival of the company, the management of the business and assets can be returned to the directors on the conclusion of the administration. The directors and staff of the company will then deal with unsecured creditors' pre-appointment claims.

If survival of the company is not possible, but sufficient sums are realised from the sale of the company's business and assets to enable funds to be distributed to unsecured creditors, the administrator may be able to deal with their claims and pay them a dividend, but he may only do so with the permission of the court.

Otherwise, after payment of the costs and expenses of the administration, any surplus funds will normally be passed to a liquidator, who will deal with creditors' claims. The administrator may himself become the liquidator.

Sometimes the outcome of the administration will be a company voluntary arrangement, within which creditors' claims will be dealt with.

Six months after writing off the debt in your accounts, you can claim VAT Bad Debt Relief from HM Customs and Excise for the VAT you have paid.

If you believe that you own something in the company's possession, you should contact the administrator as soon as possible with full proof of ownership and be prepared to identify what you are claiming. The administrator will examine your claim carefully before deciding whether to release the goods in question, pay you for them or otherwise.

How does administration come to an end?

An administration may come to an end

- automatically after one year – but this period may be extended with the agreement of the creditors or the permission of the court if more time is needed to achieve the purpose of administration,
- by court order, if the administrator thinks the purpose of administration cannot be achieved, or, where he was appointed by the court, if he thinks the purpose has been achieved.

On conclusion of an administration

- the company may be returned to the control of its directors and management,
- the company may go into liquidation,
- the company may be dissolved (if there are no funds for distribution to unsecured creditors),
- if a voluntary arrangement has been agreed during the administration, the arrangement may continue according to its terms (it is possible for a voluntary arrangement to run concurrently with an administration).

Is the administrator bound by contracts entered into by the company prior to his appointment?

An administrator has a general duty to the company to attempt to achieve the purpose of administration. In doing so, the administrator may find it impracticable to have the company perform certain contracts entered into prior to his appointment, although he will have regard to the financial implications of breaches of the company's contracts. Special provisions apply to employment contracts.

Is the administrator liable for sums due under contracts entered into by the company subsequent to his appointment?

An administrator is not personally liable for contracts entered into as administrator, but normally the administrator will pay for goods or services provided subsequent to his appointment, as an expense of the administration.

As an unsecured creditor, what information am I entitled to?

The administrator must notify all known creditors of his appointment as soon as reasonably practicable, and must send a copy of his proposals for achieving the purpose of administration to all creditors within eight weeks of his appointment. A meeting of all creditors must then normally be held within ten weeks of the date the company went into administration in order to consider the administrator's proposals. However, there is no need for the administrator to hold a meeting if he has stated in his proposals that

- the company has sufficient property to enable all creditors to be paid in full,
- the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets; or
- neither of the first two purposes of administration can be achieved

However, he must hold a meeting if requested by creditors whose debts amount to at least 10% of the total debts of the company

After approval of the administrator's proposals, a report on the progress of the administration is sent to all creditors every six months and at the end of the administration

Can the unsecured creditors form a creditors' committee?

Yes. A creditors' committee may be appointed at a meeting of creditors and must consist of at least three and not more than five creditors. The creditors' committee receives reports from the administrator and may meet periodically.

Creditors' committee members are not paid, but will receive their reasonable travelling expenses as a cost of the administration.

Can a creditor initiate or continue legal actions against a company in administration?

No. Any petition for the winding up of the company must be dismissed or suspended. In addition, except with the consent of the administrator or permission of the court

- no steps may be taken to enforce security over the company's property or to repossess goods in the company's possession under any sale or hire agreement,
- no other proceedings, execution, or legal process may be commenced or continued, and no distress may be levied, against the company or its property, and
- a landlord may not exercise a right of forfeiture in relation to premises let to the company

How is the administrator's fee determined?

The creditors' committee (if there is one) agrees the administrator's fee. Otherwise, it can be fixed by the creditors or the court. Although the fee can be fixed as a percentage of the value of the property dealt with, it is normally based on the following factors

- the time properly spent by the administrator and his staff,
- the complexity of the case,
- any exceptional responsibility borne by the administrator,
- the effectiveness with which the administrator carries out his duties, and
- the value and nature of the company's assets

R3 has produced a separate guide explaining insolvency office holders' remuneration, which is available from the person who gave you this guide.

What should I do if I am dissatisfied with the administrator's handling of the case?

You should first contact the administrator to try and resolve the problem. If you are still not satisfied, you may be able to make an application to court.

If you think that the administrator is guilty of professional misconduct, you should contact his regulatory body.