

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Macob Developments Limited	Company number 01642916
In the High Court of Justice Chancery Division Companies Court [full name of court]	Court case number: 1660 of 2014

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

~~LL~~ We, (a) W John Kelly of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and Nigel Price of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham B2 5LG

* Delete as applicable

attach a copy of ~~*my~~ / our 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) 25 April 2014

Signed

Joint / Administrator(s)

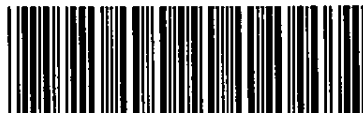
Dated

25 April 2014

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.

Begbies Traynor (Central) LLP	
10th Floor, Temple Point, 1 Temple Row Birmingham	
	Tel 0121 200 8150
Fax Number 0121 200 8160	DX Number



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30/04/2014

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COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability

Macob Developments Limited (In Administration)

Statement of proposals for achieving the purpose of the administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986

Important Notice

This statement of proposals has been produced for the sole purpose of advising creditors pursuant to the provisions of the Insolvency Act 1986. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever. Any estimated outcomes for creditors included in these proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Macob Developments Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 of the Act on 4 March 2014
"the administrators", "we", "our", "us"	W John Kelly of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and Nigel Price of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. STATUTORY INFORMATION

Name of Company	Macob Developments Limited
Trading name(s)	As above
Date of Incorporation	14 June 1982
Company registered number	01642916
Company registered office	10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
Former registered office	2 Oldfield Road, Bocam Park, Bridgend, CF35 5LJ
Trading address(es)	Unit 2, Ynysbridge Court, Gwaelod-y-Garth, Cardiff, CF15 9SS
Principal business activities	Construction industry plant hire

	Name	Shareholding
Directors and details of shares held in the Company (if any)	David Walters	None
	Rowland John Roberts	None
	Mark Simon Thomas	None

	Name:	Shareholding
Company Secretary and details of the shares held in Company (if any)	David Walters	None

Auditors	Clay Shaw Thomas Limited Chartered Accountants & Statutory Auditors Ty Atebion, Bocam Park, Bridgend, CF35 5LJ
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Share capital	72 x £1 00 ordinary shares
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Shareholders	100% Macob Property Holdings Limited (In Administration)
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3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Date of appointment	4 March 2014
Date of resignation	n/a
Court	High Court of Justice Chancery Division Companies Court
Court Case Number	1660 of 2014
Person(s) making appointment / application	The directors
Acts of the administrators	The administrators act as officers of the court and as agents 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 Proceedings	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are 'main territorial 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 sub-paragraph (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 sub-paragraph (1)(a) unless he thinks either-
- (a) that it is not reasonably practicable to achieve that objective, or
 - (b) that the objective specified in sub-paragraph (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 sub-paragraph (1)(c) only if-
- (a) he thinks that it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph (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 OUR APPOINTMENT

Macob Developments Limited ("Developments") was incorporated on 14 June 1982. Its purpose was to provide services solely to other group companies in respect of hiring machinery and vehicles. It is best described as an internal service company.

Macob Property Holding Limited ("MPHL") was incorporated on 30 March 2012. Its purpose was to act as a new holding company following the restructure of a group of seventeen companies (including the parent company MPHL). The group consisted of three trading companies (two contracting and one scaffolding), five internal service companies (such as payroll and health & safety) and eight development companies (i.e. holding land and/or property for future development).

The contracting companies (Macob Limited and Macob Southern Limited) were operating in a difficult sector (construction and specifically house building) and had underperformed in recent months. This had placed a significant burden on the overall working capital facilities of the group. The group operated with a composite accounting system arrangement provided by its bank, which enabled the individual subsidiaries to hold and operate their own accounts. Whilst certain of the subsidiaries within the group had net assets, the performance and viability of its key trading subsidiaries was less certain and, consequently, more pressure was placed on working capital facilities and the overall ability of the group to pay its debts as and when they fell due.

Turnover levels in the two contracting companies were lower than had been anticipated, gross margin was depressed and losses were resulting. Whilst management were disappointed with the recent results they were more concerned by the lack of new work and tendering opportunities, particularly new work that could be priced appropriately. Management were very concerned about the ongoing viability of the two contracting companies and, as a consequence, parts of the wider group including the associated internal service companies. Management were mindful that the position of stakeholders in these companies should not deteriorate and/or be prejudiced by ongoing trading.

As detailed above, the overall group facility was coming under pressure as a consequence of the poor trading and in the absence of an immediate increase to the overdraft facility, a sizeable injection of equity and/or funds from the sale of an asset in the development companies, it was likely that one of the subsidiaries would face a precipitous action (i.e. a winding up petition) from one or more of its creditors.

With no additional finance available, and to avoid an uncontrolled and unplanned insolvency procedure, a notice of intention to appoint an administrator was filed in Court on 3 March 2014. Appointments were made over the Developments, MPHL, Macob Southern Limited ("Southern"), Macob Limited ("ML"), Macob Administration Limited ("Administration"), Macob Training & Safety Services Limited ("Training"), Macob Civil Engineering Limited ("Civil") and Macob Properties Limited ("Properties"). W John Kelly and Nigel Price of Begbies Traynor were appointed as Joint Administrators on 4 March 2014 on all the above companies except for Properties, which had an appointment date on 5 March 2014.

There were nine other companies within the group (eight development companies and one trading company) that were not placed into administration.

5. STATEMENT OF AFFAIRS

The directors' have prepared a statement of affairs of the Company as at 4 March 2014 which is attached at Appendix 2. It makes no provision for the costs of the administration or any subsequent liquidation or voluntary arrangement.

Our comments on the estimated assets and liabilities can be found in the pages that follow.

6. THE ADMINISTRATION PERIOD

Plant & Machinery

The Company owns plant & machinery consisting in the main of vehicles and plant & equipment. The plant & equipment and vehicles comprised encumbered and unencumbered assets.

At the date of appointment there were 18 unencumbered vehicles and 10 unencumbered dumper trucks. Regrettably 5 of the 10 dumper trucks were stolen from different sites shortly after our appointment and have not yet been found and/or recovered. The assets have been reported as stolen and insurance claims will be processed.

There are also large number of excavators and other vehicles subject finance agreements with Hyundai Finance, JCB Finance and Sinclair Finance. Agents have advised that there may be equity in the excavators subject to finance with Hyundai. The other assets subject to finance have no equity and we have advised the respective finance companies that we have no interest in these assets.

The unencumbered assets and the Hyundai excavators have been recovered from the different sites and are being temporarily secured and stored in two development sites owned by the wider group. Our agents Edward Symmons ("ES") have been instructed to value, market and sell the assets (unencumbered and those encumbered with equity) by way of private treaty and/or auction.

The assets have been made available for viewing and an online auction is taking place on 25 April 2014.

Sundry Receipts

A refund totalling £62.83 was received from the Company's credit card provider due to an overpayment.

Receipts and Payments

Attached at Appendix 1 is our account of receipts and payments from the commencement of administration, (4 March 2014) to 25 April 2014.

7. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the directors' statement of affairs) are as follows:

Secured creditor

The Company had granted a fixed and floating charge debenture to Barclays Bank plc ("The Bank") on 12 February 1989. The overall group debt to Barclays at the date of appointment totalled £7,118,357 (before interest and charges) which comprises a loan and overdraft facilities. The working capital facilities included credit and debit balances in accounts held by the different companies in the group. In accordance with the Bank's security, which included a composite banking arrangement as well as

cross guarantees held in relation to other companies in the group, the credit balances were all setoff upon appointment to establish an overall indebtedness of £7,118,357. The debt shown in the statement of affairs is £7,018,357 which assumes £100,000 has been distributed to the Bank pursuant to fixed charges in another Group company (MPHL). As outlined in Section 4, there were eight companies placed into administration and nine that are currently not in administration. It should be noted that there is an additional loan of £2,100,000, which is provided to Bluefield Caernarfon Limited, which is not included in the composite balance shown above but which may also be guaranteed by MPHL and the group.

Preferential creditors

There are no preferential creditors as the Company did not have any employees.

Unsecured creditors

Claims of unsecured creditors are estimated at £126,802, which includes £76,599 of inter-company creditors.

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditor as follows:

Secured creditor

The Bank will be entitled to net proceeds recovered from the sale and/or realisation of assets subject to its floating charge (for instance plant & machinery and intercompany debtors), after first allowing for any prescribed part if applicable (see below).

Preferential creditors

There are no preferential creditor claims.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or 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 debts. *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 realising the floating charge assets). The *prescribed part of the Company's net property* 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 of net property* if

- ☐ the *net property* is less than £10,000 and the administrator thinks that the cost of distributing the *prescribed part* would be disproportionate to the benefit, (Section 176A(3)) or
- ☐ the administrator 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)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no *net property* as defined in Section 176A(6) of the Act and, therefore, no prescribed part of *net property* is available for distribution to the unsecured creditors.

Unsecured creditors

Based upon realisations to date and estimated future realisations there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors

8. OUR PROPOSALS FOR ACHIEVING THE PURPOSE OF THE ADMINISTRATION

Purpose of the Administration

We are required to set out our 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

For the reasons set out in this report, it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph 3(1)(a) and 3(1)(b), because the Company ceased trading upon appointment and therefore, would be unable to enter into a Company Voluntary Arrangement and, at this stage, there is unlikely to be a return to any class of creditor other than the secured creditor

Consequently, the most appropriate objective to pursue in this case is that specified in sub-paragraph 3(1)(c), namely realising property in order to make a distribution to one or more secured or preferential creditors. Furthermore, we consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole

The purpose of the Administration will be achieved by maximising the realisations from the sale of the Company's plant and equipment and then distributing the net proceeds to the secured creditor pursuant to its floating charge. The estimated return available through any of the intercompany debtors remains very uncertain due to the level of secured creditor debt that would first need to be repaid across the group

In order that the purpose of the administration may be fully achieved, we propose to remain in office as administrators in order to conclude the realisation of the Company's property and conclude the statutory duties

Following these events we propose to finalise distributions to the secured creditor

Exit from Administration

(1) Contingency plan – extending the administration

It is anticipated that due to the nature of the Company's assets, it may not be possible to finalise the administration as envisaged within one year of the date of our appointment. In particular, this situation will arise if we are not able to conclude the sale of the various shares and investments. 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, our 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 us to seek creditor consent to extending the period of the administration for up to a further six months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved

(2) Dissolution

On present information we consider that the Company will have insufficient property to enable a distribution to be made to unsecured creditors. Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we 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 us to the Registrar of Companies, our appointment as administrators 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.

(3) Creditors' voluntary liquidation

Notwithstanding the above, in the unlikely event that there becomes, or is likely to become, sufficient funds to enable a distribution to the unsecured creditors then the Administrators 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 we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we 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, our appointment as administrators shall cease to have effect and the Company will automatically be placed into creditors' voluntary liquidation. Paragraph 83(7) provides

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

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

We confirm that as part of our proposals we propose that we act as joint liquidators in the 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 our proposals.

It is proposed that for the purpose of the winding up, any act required or authorised under any enactment to be done by the joint liquidators is to be done by all or any one or more of the persons for the time being holding office.

(4) Contingency plan – unforeseen surplus funds

If (whether or not an extension to the period of administration actually becomes necessary) it ultimately transpires that there are indeed surplus funds enabling a distribution to the unsecured creditors, then unless the court makes an order permitting such a distribution on our application, we will issue revised proposals for consideration by creditors dealing with the most appropriate exit strategy from the administration in those circumstances.

9. REMUNERATION AND DISBURSEMENTS

Pre-administration costs

In the period before the Company entered administration, we carried out work consisting of meetings with directors and funders to review options available to MPHL (and the wider group) and implementing a strategy to deal with the Group's financial position ("the Work"). The Work was carried out pursuant to an agreement made between us and the directors and the secured creditors entered into on 21 February 2014 ("the Agreement").

In relation to this case, the Pre-administration costs are as follows

Our fees are in the total sum of £307 50 (plus VAT). There are no disbursements.

The Pre-administration costs detailed above are unpaid. We are not seeking approval to recover these unpaid costs.

Remuneration

We propose that the basis of our remuneration be fixed under Rule 2.106 of the Rules by reference to the time properly given by us (as administrators) and the various grades of our staff calculated at the prevailing hourly rates of Begbies Traynor (Central) LLP in attending to matters arising in the administration.

These proposals contain a statement by us, in accordance with paragraph 52(1)(c) of Schedule B1 to the Act, that neither of the objectives specified in paragraph 3(1)(a) and (b) can be achieved. In these circumstances, if there is no creditors' committee, or the committee does not make a determination, it is for each secured creditor and the preferential creditors of the Company to determine the basis of our remuneration under Rule 2.106 of the Rules. In the absence of an initial meeting of creditors (see section 11 Conclusion, below) and the establishment of a creditors' committee, our remuneration is fixed by the approval of the secured and preferential creditors in accordance with Rule 2.106 (5A).

Appendix 3 sets out our firm's hourly charge out rates and the time that we and our staff have spent in attending to matters arising in the administration since 4 March 2014.

Disbursements

We propose that disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) be charged in accordance with our firm's policy, details of which are set out at Appendix 3. These disbursements will be identified by us and subject to the approval of those responsible for determining the basis of our remuneration.

10. OTHER INFORMATION TO ASSIST CREDITORS

Report on the conduct of directors

We have a statutory duty to investigate the conduct of the directors and any person we consider to be or have been a shadow or de facto director during the period of three years before the date of our appointment, in relation to their management of the affairs of the Company and the causes of its failure. We are obliged to submit confidential reports to the Department for Business, Innovation and Skills.

As administrators of the Company we are required by best practice guidance to make enquiries of creditors as to whether they wish to raise any concerns regarding the way in which the Company's business was conducted prior to the commencement of the administration, or wish to bring to our attention any potential recoveries for the estate. If you would like to bring any such issues to our attention please do so in writing to the address detailed at Section 1 of this report. This request for

information is standard practice and does not imply any criticism or cause of action against any person concerned in the management of the Company's affairs

CONCLUSION

As explained in Section 7 above, the Company has insufficient property to enable a distribution to be made to unsecured creditors (other than by virtue of the prescribed part)

In the circumstances, we do not intend to summon an initial meeting of the Company's creditors. However, creditors, whose debts amount to at least 10% of the total debts of the Company, may requisition such a meeting. Any such requisition must be in the prescribed manner in accordance with Rule 2.37 and be made within 8 business days of the date on which our statement of proposals is sent out. The expenses of summoning and holding a meeting at the request of a creditor shall be paid by that person, who shall deposit with us security for their payment. If no such meeting is requisitioned, then by Rule 2.33(5), our proposals are deemed to have been approved by the creditors. Where the proposals are deemed to have been approved, we will write to you to confirm that is the position.

In the absence of an initial creditors' meeting we 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.



W John Kelly
Joint Administrator
Date 25 April 2014

ACCOUNT OF RECEIPTS AND PAYMENTS

4 March 2014 to 25 April 2014

Macob Developments Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 04/03/2014 To 25/04/2014	From 04/03/2014 To 25/04/2014
	HIRE PURCHASE		
1,283,000 00	Plant, machinery & motor vehicles	NIL	NIL
(1,204,656 00)	Various finance companies	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
65,000 00	Plant & Machinery	NIL	NIL
Uncertain	Furniture & Equipment	NIL	NIL
Uncertain	Debtor Macob Limited	NIL	NIL
Uncertain	Debtor Macob (Southern) Limited	NIL	NIL
Uncertain	Debtor Macob Training Services Limit	NIL	NIL
Uncertain	Debtor Macob Property Holdings Limit	NIL	NIL
Uncertain	Other debtors	NIL	NIL
	Sundry Receipts	62 83	62 83
		62 83	62 83
	FLOATING CHARGE CREDITORS		
(7,018,357 02)	Barclays Bank Plc	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(48,159 03)	Trade Creditors	NIL	NIL
(2,044 00)	Barclaycard	NIL	NIL
(71,908 33)	Macob Property Holdings Limited	NIL	NIL
(631 94)	Macob Limited	NIL	NIL
(4,058 43)	Macob Administration Limited	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(72 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(7,001,886.75)		62.83	62.83
	REPRESENTED BY		
	Bank 1 Current		62 83
			62.83

DIRECTORS' STATEMENT OF AFFAIRS AS AT:

4 March 2014

Macob Developments Limited
Statement Of Affairs as at 4 March 2014

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Plant, machinery & motor vehicles	1,352,145 00	1,283,000 00
Various finance companies		(1,204,656 00)
		78,344 00
Assets subject to floating charge:		
Plant & Machinery		65,000 00
Debtor Macob Limited	131,539 45	Uncertain
Debtor Macob (Southern) Limited	44,674 58	Uncertain
Debtor Macob Training Services Limited	432 00	Uncertain
Debtor Macob Property Holdings Limited	3,699 06	Uncertain
Other debtors	75 00	Uncertain
Uncharged assets:		
Furniture & Equipment		Uncertain
Estimated total assets available for preferential creditors		143,344 00

Signature _____ Date _____

Macob Developments Limited
Statement Of Affairs as at 4 March 2014

A1 - Summary of Liabilities

		Estimated to Realise £
Estimated total assets available for preferential creditors (Carried from Page A)		143,344 00
Liabilities		
Preferential Creditors -		
		<u>NIL</u>
Estimated deficiency/surplus as regards preferential creditors		143,344 00
Debts secured by floating charge pre 15 September 2003		
Other Pre 15 September 2003 Floating Charge Creditors		
Barclays Bank Plc	7,018,357 02	
		<u>7,018,357 02</u>
		(6,875,013 02)
Estimated prescribed part of net property where applicable (to carry forward)		<u>NIL</u>
Estimated total assets available for floating charge holders		(6,875,013 02)
Debts secured by floating charges post 15 September 2003		
		<u>NIL</u>
Estimated deficiency/surplus of assets after floating charges		(6,875,013 02)
Estimated prescribed part of net property where applicable (brought down)		<u>NIL</u>
Total assets available to unsecured creditors		(6,875,013 02)
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade Creditors	48,159 03	
Barclaycard	2,044 00	
Macob Property Holdings Limited	71,908 33	
Macob Limited	631 94	
Macob Administration Limited	4,058 43	
		<u>126,801 73</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(7,001,814 75)
Estimated deficiency/surplus as regards creditors		(7,001,814 75)
Issued and called up capital		
Ordinary Shareholders	72 00	
		<u>72 00</u>
Estimated total deficiency/surplus as regards members		<u>(7,001,886 75)</u>

Signature _____ Date _____

Begbies Traynor (Central) LLP
Macob Developments Limited
B - Company Creditors

Key	Name	Address	£
CA04	APPARELMASTER	14 TREFORESET INDUSTRIAL ESTAT, PONTYPRIDD, MID GLAMORGAN, CF37 5SY	152 39
CA07	AUTOSTOP TYRE & AUTOCARE	UNIT A BRACKLA IND EST, COITY, BRIDGEND, MID GLAMORGAN SOUTH WALES, CF31 2AZ	518 10
CA08	ACD Skips Limited	Plot 42B, Brynmelyn Industrial Estate, Bridgend, Wales, CF32 9TZ	192 00
CB00	BRIDGEND MOTOR FACTORS	TREMAINS ROAD, BRIDGEND, MID GLAMORGAN, CF31 1UA	1,198 69
CB01	Bridgend Ford	Cowbridge Road, Waterton Industrial Estate, Bridgend, CF31 3BF	39 22
CC01	CLIVE BARFORD LIMITED	DUMPERS DROVE, HORTON HEATH, SOUTHAMPTON, SO50 7DP	51 08
CC02	Celtic Tyre Services	Bridgend Industrial Estate, Bridgend, Glamorgan, CF31 3TT	1,432 12
CC03	CEM Day Limited	Swansea Road, Gorseinon, Swansea, West Glamorgan, SA4 4LL	748 96
CC04	Crash Repair Centre	Unit 20, Crosby Yard Industrial Estate, Bridgend, CF31 1JZ	252 00
CC05	Cymru Autoglazing	Llanelli Gate, Llanelli, SA14 8LQ	478 80
CD00	DAY'S RENTAL	SWANSEA ROAD, GARGNOCH, GORSEINON, SWANSEA, SA4 4LL	336 00
CD03	ALLSTAR FUEL CARD SERVICES	P O BOX 1463, WINDMILL HILL, SWINDON, SN5 6PS	28,321 32
CD04	DRIVESHAFT SERVICES	PLOT 1A HEOL MOSTYN, VILLAGE FARM IND EST, PYLE, MID GLAMORGAN, SOUTH WALES, CF33 6BJ	166 31
CE00	EURO COMMERCIALS(SOUTH WALES)LTD	IPSWICH ROAD, CARDIFF, SOUTH WALES, CF23 9AQ	2,522 31
CF03	FIRSTSERVE TRADE LIMITED	SEYMOUR ROAD, NUNEATON, WARWICKSHIRE, CV11 4LB	121 99
CF04	FITZGERALD PLANT SERVICES LTD	AVONDALE WAY, AVONDALE BUSINESS PARK, CWMBRAN, SOUTH WALES, NP44 1TS	46 80
CF05	Fabrication & Welding	Units 10 & 11, Ely Distribution Centre Argyle W, Cardiff, CF5 5NJ	144 00
CG00	Garth Tyre & Auto Services	Main Road, Morganstown, Cardiff, South Glamorgan, CF15 9HJ	912 00
CH01	HOLT JCB LTD	THIRD WAY, AVONMOUTH, BRISTOL, BS11 9ZG	2,662 51
CH02	HYDRA-TECH LIMITED	UNIT 1, SMOKE LANE INDUSTRIAL ESTATE, AVONMOUTH, BRISTOL, BS11 0YA	2,169 62
CH03	H M Revenue & Customs	Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	0 00
CH04	H M Revenue & Customs	Insolvency Department, Regian House, James Street, Liverpool, L75 1AD	0 00
CH05	Harris Brothers Tyres Limited	112 Ystrad Road, Fforestfach, Swansea, SA5 4NE	66 00
CM00	MACOB LIMITED	MACOB HOUSE, YNYSBRIDGE COURT, GWAELOD Y GARTH, CF15 9SS	631 94
CM02	MACOB ADMINISTRATION LTD	YNYSBRIDGE COURT, GWAELOD -Y- GARTH, CARDIFF, SOUTH WALES, CF15 9SS	4,058 43
CN00	NATIONAL TYRE SERVICES LTD	REGENT HOUSE, HEATON LANE, STOCKPORT, SK4 1BS	13 08

Begbies Traynor (Central) LLP
Macob Developments Limited
B - Company Creditors

Key	Name	Address	£
CN01	Noel Fitzpatrick Limited	Langlad Way, Reevesland Industrial Estate, Newport, NP19 4PT	240 00
CO00	O2 (UK) LIMITED	PROCESSNG CENTRE, MILTON KEYNES, MK77 1UB	588 00
CP02	PIRTEK (CARDIFF)	UNIT C7B, ARRON HOUSE, TREFOREST INDUSTRIAL ESTATE, PONTYPRIDD, CF37 5UD	260 88
CP03	Pirtek Southampton	18 City Commerce Centre, Marsh Lane, Southampton, SO14 3EW	211 92
CP04	Pirtek Newport	83 Springvale Industrial Estate, Cwmbran, Gwent, NP44 5BE	622 20
CP05	Pirtek Swansea	Unit 3, Samlet Road, Liansamlet, Swansea, SA7 9AG	154 43
CP06	Pirtek Guilford	Units 2/3 Enterprise Estate, Moorfield Road, Slyfield Industrial Estate, Guilford, GU1 1RB	424 58
CP07	Pirtek Crawley	Unit 5, Stockwell Trading Estate, Stephenson Way, Crawley, RH10 1TN	128 44
CR02	RENAULT CARE C/O FLEET LIMITED	MOULSOE BUSINESS CENTRE, CRANFIELD ROAD, MOULSOE, MILTON KEYNES, MK16 0FJ	1,778 10
CS00	SHORTS AUTO ELECTRICAL	43-51 STAION ROAD, LANORE, SWANSEA, SA1 2JE	360 98
CS07	SINCLAIR GROUP	MERCEDES-BENZ BRIDGEND, OLD FIELD ROAD, PENCOED, BRIDGEND, CF35 5LJ	250 00
CS08	Signrite Vinyl Specialists Limited	Bowen Industrial Estate, Aberbargoed, Caerphilly, CF81 9EP	468 00
CS09	Smiths Mechanical Services	Tower Close, Bridgend Industrial Estate, Bridgend, CF31 3TH	48 00
CS0A	SWALEC	Inveralmond House, 200 Dunkeld Road, Perth, PH1 3AQ	48 72
CV00	Vodafone	P O Box 7777, Glasgow, G2 5BD	0 00
CW00	WELSH WATER	Pentwyn Road, Nelson, Treharris, Mid Glamorgan, CF46 6LY	0 00
42 Entries Totalling			52,819.92

Begbies Traynor (Central) LLP
Macob Developments Limited
C - Shareholders

Key	Name	Address	Pref	Ord	Other	Total
HM00	Macob Property Holdings Limited (In Admic/o Begbies Traynor (Central) LLP, Temple Point, 1 Temple Row, Birmingham, B		0	72	0	72
1 Entries Totalling						72

DIRECTORS' STATEMENT OF AFFAIRS

Notes to the Directors' Statement of Affairs

- 1 Professional agents, Messrs Edward Symmons, valued the Company's vehicles, plant and machinery on an open market basis. The level of realisations will largely depend on the success of the auction to be held at the end of April.

Please note that some of the plant and machinery is subject to hire purchase agreements with JCB, Sinclair Vehicle Finance and Hyundai. Details of any claims from the finance providers for the vehicles and plant have yet to be received and are not shown on the list of creditors.

- 2 The level of any return from the intercompany debtors will be entirely dependent on the final outcome and level of realisations achieved in the specific connected company. Any return will be determined by the level of funds that ultimately become available for distribution to all unsecured creditors (connected and unconnected) and all claims will rank equally for dividend purposes in these circumstances.
- 3 The claims of the Department for Business, Innovation and Skills represent employees' estimated claims under The Employment Rights Act 1996 in respect of arrears of pay to a maximum of £800 per employee and holiday pay which are claimed preferentially, and pay in lieu of notice, redundancy pay and arrears of pay in excess of £800 which are non-preferential. Developments did not have any employees so therefore, there aren't any preferential claims.
- 4 Section 176A(2) of the Act requires the administrators to set aside the prescribed part of the Company's net property for the satisfaction of unsecured debts. "Net property" means the amount which would, if it were not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of realisation). The prescribed part is 50% of the first £10,000 and 20% of the remaining net property (up to a maximum of £600,000).

We will not be required to set aside the prescribed part of net property if

- a The net property is less than £10,000 and we think that the cost of distributing the prescribed part would be disproportionate to the benefit,
- b Or if the net property is more than £10,000, if the provision is disapplied by the court on the application of the administrator on cost-benefit grounds.

The floating charge was created before 15 September 2003 so there is no net property and, consequently, no prescribed part of net property.

- 5 The Company had granted a fixed and floating charge debenture to Barclays Bank plc ("The Bank") on 12 February 1989. The overall group debt to Barclays at the date of appointment totalled £7,118,357 (before interest and charges) which comprises a loan and overdraft facilities. The working capital facilities included credit and debit balances in accounts held by the different companies in the group. In accordance with the bank's security, which included a composite banking arrangement as well as cross guarantees held in relation to other companies in the group, the credit balances were all set off upon appointment to establish an overall group indebtedness of £7,118,357. The debt shown in the statement of affairs is £7,018,357 which assumes £100,000 has been distributed to the Bank pursuant to fixed charges in another Group company (MPHL). It should be noted that there is an additional loan of £2,100,000, which is provided to Bluefield Caernarfon Limited, which is not included in this composite balance but which may also be guaranteed by MPHL and the group.

- 6 Creditors' 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
- 7 The estimated total deficiency, including the calculation of the prescribed part of the Company's net property, is subject to the costs of administration and distribution for which no provision is made in the statement of affairs

TIME COSTS AND EXPENSES

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 our licensing bodies.

Total time spent to 22 April 2014 on this assignment amounts to 58.80 hours at an average composite rate of £274.58 per hour resulting in total time costs to £16,146.

To assist creditors in determining this matter, the following further information on time costs and expenses are set out:

- ☐ Begbies Traynor (Central) LLP's policy for re-charging expenses
- ☐ Begbies Traynor (Central) LLP's charge-out rates
- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value

In addition, a copy of 'A Creditors Guide to Administrators' Fees (E&W) 2011' which provides guidance on creditors' rights can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact my office and I will arrange to send you a copy.

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME Macob Developments Limited
CASE TYPE ADMINISTRATION
OFFICE HOLDERS W John Kelly AND Nigel Price
DATE OF APPOINTMENT 4 March 2014

1 CASE OVERVIEW

1 1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1 2 Complexity of the case

This is a complex case involving a group of companies of which eight companies have been placed into administration. There is a large amount of plant, equipment and vehicles. We have had to co-ordinate the collection of the vehicles and plant, organise the necessary insurance and make appropriate security arrangements.

We have liaised with our agents and interested parties in respect of these assets. We have also had to liaise with various finance companies.

1 3 Exceptional responsibilities

None

1 4 The office holders' effectiveness

We have instructed agents, Edward Symmons ("ES") to help secure, value, market and then sell the Company's plant, machinery and vehicles.

1 5 Nature and value of property dealt with by the office holders'

ES have estimated the plant and machinery subject to finance to realise £78,344 and the unencumbered plant and machinery to realise £65,000.

1 6 Anticipated return to creditors

There will be no return to the preferential or unsecured creditors.

The secured creditor will receive a distribution but is likely to suffer a shortfall under its charges.

1 7 Time costs analysis

An analysis of time costs incurred between 3 March 2014 and 22 April 2014 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type.

The time costs analysis provides details of work undertaken by the office holders and their staff following their appointment only.

1 8 The views of the creditors

Any queries from creditors have been dealt with in a timely manner.

1 9 Approval of fees

We request that a resolution is passed to approve the basis of the Administrators' fees for the Administration period on a time cost basis, subject, to the agreement of the secured creditor, if appropriate

1 10 Approval of Expenses and Disbursements

We request that a resolution is passed to approve the basis of the Administrators' expenses and disbursements for the Administration period, subject, to the agreement of the secured creditor, if appropriate

1 11 Category 2 Disbursements

There have been no Category 2 disbursements and disbursements which should be treated as Category 2 disbursements incurred to date

1 12 Other professionals employed & their costs

Eversheds LLP were instructed to provide assistance with the legal aspects of placing the companies into administration and all post appointment legal matters Their fee will be based on a time costs basis

Edward Symmons were instructed to secure, market and sell the Company's vehicles, plant and machinery Their fee is based on a percentage of sale basis

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 3

2 2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 3

3. SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT

Since the date of our last report, the following work has been carried out

- Preparing day one documentation and all statutory documentation
- Meetings with ES regarding the securing the plant and machinery
- Meetings with ES regarding the auction
- Dealing with queries from creditors
- Arranging collection of the books and records
- Carrying out all statutory duties
- Attending meetings with the Company's directors
- Producing update report for the Bank
- Dealing with insurers

Macob Developments Limited

Hours

Administration and planning

CDDA and investigations

Debt collection
Property, business and asset sales
Retention of Title/Third party assets

Trading

Secured

Meetings

Total hours by staff grade

Total fees drawn to date