

Administrator's progress report 2.24B

Name of Company MacArthur & Co Limited	Company Number 02221912
In the High Court of Justice [full name of court]	For court use only Court case number 10586 of 2009

(a) Insert full name(s) and address(es) **I/We (a) William Antony Batty and Stephen John Evans of Antony Batty & Company LLP of 3 Field Court, Gray's Inn, London, WC1R 5EF**
administrator(s) of the above company attach a progress report for the period

(b) Insert date from (b) 12 February 2009 to (b) 11 August 2009

Signed 

Dated 11 September 2009

Joint Administrator(s)

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

Antony Batty & Company LLP	
3 Field Court, Gray's Inn, London, WC1R 5EF	
Tel 020 7831 1234	
DX Number	DX Exchange

THURSDAY

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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

To All Known Creditors

Date: 11 September 2009
Ref: Mac/25/MB

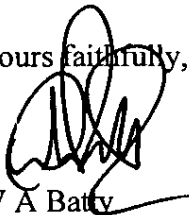
Dear Sir

**MACARTHUR & CO LIMITED- IN ADMINISTRATION
ADMINISTRATORS' REPORT TO CREDITORS PURSUANT TO RULE 2.47 OF THE
INSOLVENCY RULES 1986**

Further to my previous reports, please find enclosed my progress report on the administration pursuant to Rule 2.47 of the Insolvency Rules 1986 for the period of 12 February 2009 to 11 August 2009.

Please do not hesitate to contact me if you require further information.

Yours faithfully,



W A Batty
Joint Administrator

The affairs business and property of the Company are being managed by the Administrators who act as the Company's agent

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COMPANIES HOUSE

The Institute of Chartered Accountants in England & Wales authorises WA Batty & S Evans to act as Insolvency Practitioners under S. 390 (2) of the Insolvency Act 1986. W A Batty & S Evans act and contract as Administrators without personal liability.

Antony Batty & Company LLP is a limited liability partnership registered in England and Wales at 3 Field Court, Gray's Inn, London WC1R 5EF with registered number OC 326854.

MACARTHUR & CO LIMITED - IN ADMINISTRATION

ADMINISTRATORS' REPORT TO CREDITORS PURSUANT TO RULE 2.47 OF THE INSOLVENCY RULES 1986

CONTENTS

1. Statutory Information
2. Details of appointment of the Joint Administrators
3. The Administrators' Proposals.
4. Progress of the Administration
5. Other Matters

Appendices

- I** Joint Administrators' Receipts and payments account
- II** Joint Administrators' Trading Account
- III** Summary of Administrators' time costs

MACARTHUR & CO LIMITED - IN ADMINISTRATION

1. STATUTORY INFORMATION

Company Number: 02221912

Date of Incorporation: 16/02/88

Registered Office: 3 Field Court, London, WC1R 5EF

Formerly: 2 Jardin House, Harrovian Business Village, Bessborough Road, Harrow, Middlesex, HA1 3EX

Principle business activity: 60 Lombard Street, London, EC3V 9EA

2. DETAILS OF APPOINTMENT OF THE ADMINISTRATOR

Names of Joint Administrators: William Antony Batty
Stephen John Evans

Charge holders: Natwest Bank Plc

Date of Appointment: 12/02/09

Court: High Court of Justice

Court reference: 10586 of 2009

Person(s) making appointment: Angus Fredrick Rose, Director on behalf of the Board

Acts of Administrator: The Administrator acts as officer of the Court and agent for the Company without personal liability. All of the functions of the administrators of the company are to be exercised by any or all of the administrators.

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 the Regulation as the company was based in and traded in the United Kingdom.

Extension to initial period of Appointment: None

3. THE ADMINISTRATORS' PROPOSALS

The following proposals to creditors were agreed by creditors at the meeting held on 16 April 2009.

1. That the Joint Administrators remain in office, doing all such things and generally exercising the powers contained in schedule 1 of the Insolvency Act 1986 as the Joint Administrators, in our discretion consider desirable or expedient to achieve the purposes of the Administration and to protect and preserve the assets of the company or maximise the realisations from those assets.

2. If it appears likely that there will be sufficient assets to distribute to preferential and/or unsecured creditors, the company should proceed into Creditor's Voluntary Liquidation in accordance with Paragraph 83 of Schedule B1 of the Insolvency Act 1986 and the Joint Administrators propose that they would be appointed Joint Liquidators. Creditors should note that they may nominate a different person as the proposed liquidator provided that any such nomination is received prior to the meeting of creditors.
3. If there are no assets for distribution to preferential or unsecured creditors, on conclusion of the Administration the Joint Administrators propose that they should file a notice with the Registrar of Companies in accordance with Paragraph 84(1) of Schedule B1 of the Insolvency Act 1986 ending the Administration, with the company being dissolved 3 months thereafter.
4. A creditors committee shall be formed if three or more creditors (up to a maximum of 5) require this and are willing to serve on it.
5. If no Creditors' Committee is formed, then the Joint Administrators propose that they be remunerated on the basis of their hourly costs at scale rates calculated on time properly spent in the course of the Administration and that the Joint Administrators shall draw their remuneration on account as and when funds permit.
6. If no Creditors' Committee is formed, then the Joint Administrators propose that their category 2 disbursements be approved in accordance with the policy disclosed in the enclosed Guide to fees, (rates may vary from time to time) and that the Joint Administrators be authorised to draw such disbursements as cash permits.
7. These proposals shall be subject to any modification or conditions as the Court may approve or impose.

4. PROGRESS OF THE ADMINISTRATION

Objective of the Administration

The objective of the Administration is set out in paragraph 3 of Schedule B1 to the Insolvency Act 1986 as follows:

The Joint Administrators of a company must perform their 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.

We are of the view that we will achieve purpose 3 (C) of Administration.

Progress

As previously reported the company was engaged by Nirah Holdings Limited (Nirah) who are seeking to develop a site in Bedfordshire into a freshwater sanctuary for wild life. The project will provide a unique resource for conservation, education and science as well as for entertainment and inspiration. MacArthur & Co and its directors have assisted with this project since its inception and were engaged to assist with raising an initial sum of approximately £40 million and further funding of £400 million of funding over the next few years. The company received a small cash fee for its

work but has mainly worked on a success basis. MacArthur & Co's time costs were effectively loaned to the company, in addition MacArthur & Co also has a shareholding and options in Nirah.

We had received an offer from MacArthur & May Investments Limited, a sister company, to take over MacArthur & Co's interest in the Nirah project. MacArthur & May Investments Limited is a connected company as it has a common shareholder and Mr May is a director of both companies. Unfortunately this offer was withdrawn.

Nirah has recently won a case in the High Court which it brought against the owners of the land who had given Nirah an option to purchase but were refusing to sign the necessary S106 certificate. As a result there is now an increased prospect that if Nirah is unable to raise the necessary funding for the project the land it may be able to sell the land and to make a return to creditors and possibly shareholders.

Whilst therefore it may take some time before MacArthur & Co received any of the loans, the prospect of some distribution to creditors appears much increased

To date I have been unsuccessful in my attempts to recover any monies due for work done by the Company on a number of smaller projects. We will continue to pursue the sums due.

Assets

Book Debts

On the date of the appointment the company's sales ledger showed an amount of £61,000 as outstanding. The directors estimated that between £10 - 30,000 should be recoverable. To date no realisations have been made.

Nirah Debt

Furniture & Equipment

I have received £916 in respect of the sale of the furniture & equipment compared to the directors estimated realisation of £1,000.

Sundry Receipts

I have received £320 in respect of a sundry debt due to the company.

Liabilities

Secured Creditors

National Westminster Bank Plc have a debenture, which was created on 19 May 1998 and registered at Companies House on 26 May 1998. I received a claim from the Bank in the sum of £102,213.

The dividend prospects for all class of creditor are dependent on the outcome of the Nirah project.

Prescribed Part

Section 176A of the Insolvency Act 1986 requires the Administrator to set aside a prescribed amount of the company's "net property" towards the satisfaction of unsecured debts. Net property is the amount that would otherwise be available for the satisfaction of holders of debentures secured by, or holders of, any floating charge created after 15 September 2003. Net property is calculated after accounting for preferential debts and the costs of realisation.

The prescribed part will not be available in this matter as the charge was created prior to 2003.

Preferential Creditors

I have received claims from preferential creditors totalling £6,611 although not all claims have been received or agreed.

Unsecured Creditors

I have received claims in the sum of £662,465.

HM Revenue & Customs are shown in the statement of affairs for the sums of £21,067 in respect of PAYE and £882 in respect of VAT. I have received a claim of £1,343 in respect of VAT and £95,353 in respect of PAYE/NI

Employees and The Redundancy Payments Office are expected to have unsecured claims in the region of £16,983 and £29,388 respectively.

The directors have claims totalling £571,551 which include their unsecured employee claims and loans.

5. OTHER MATTERS

Investigations

Conduct of Director

The Joint Administrators are required by statute to submit a report to the Department for Business, Innovation, and Skills concerning the conduct of every director of a company that is subject to Administration. Whilst the conduct of this report is confidential, the Joint Administrators confirm that this report has been submitted. This is a standard part of the Joint Administrators' duties and does not imply any criticism of the directors.

Remuneration

The Joint Administrators' remuneration is based on a time cost basis, as approved at the creditors' and committee meetings held on 16 April 2009. The Joint Administrators' time costs for the period 12 February 2009 to 11 August 2009 amount to £19,142. No fees have been drawn to date.

A detailed analysis of the Joint Administrators' time costs, together with a schedule of current charge out rates and details of disbursements is enclosed.

Disbursements

The Joint Administrators' have incurred category 1 disbursements of £564 plus VAT and category 2 expenses of £136 in accordance with the attached disbursements policy.

Conclusion of the Administration

It appears likely that the Company will proceed into Liquidation. This will happen prior to the anniversary of the Administrators appointment.

A handwritten signature in black ink, appearing to be 'A Batty', with a large loop at the top and several strokes below.

A Batty
Joint Administrator
Dated: 11 September 2009

MacArthur & Co Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 11/08/2009

S of A £		£	£
	ASSET REALISATIONS		
1,000.00	Furniture & Equipment	916.96	
10,000.00	Book Debts	NIL	
Uncertain	Nirah Debt	NIL	
NIL	Deferred Tax	NIL	
5,000.00	Prepayments	NIL	916.96
	COST OF REALISATIONS		
	Agents/Valuers Fees (1)	700.00	(700.00)
	PREFERENTIAL CREDITORS		
(3,202.33)	Redundancy Payments Office	NIL	
(6,611.33)	Employee Arrears/Hol Pay	NIL	NIL
	FLOATING CHARGE CREDITORS		
(101,000.00)	Natwest Bank Plc	NIL	NIL
	UNSECURED CREDITORS		
(169,004.00)	Trade & Expense Creditors	NIL	
(16,983.30)	Employees	NIL	
(29,388.97)	Redundancy Payments Office	NIL	
(571,551.00)	Directors	NIL	
(21,067.12)	Inland Revenue	NIL	
(882.00)	Customs & Excise	NIL	NIL
	DISTRIBUTIONS		
(725,000.00)	Ordinary Shareholders	NIL	NIL
(1,628,690.05)			216.96
	REPRESENTED BY		
	Vat Receivable		105.00
	Bank 1 Current		249.50
	Vat Payable		(137.54)
			216.96

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MacArthur & Co Limited

SIP 9 - Time & Cost Summary

Period: 12/02/09..11/08/09

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	6.30	17.70	0.20	4.55	28.75	6,177.50	214.87
Investigations	0.00	2.60	0.00	0.00	2.60	545.00	209.62
Realisations of assets	27.40	2.20	0.00	0.00	29.60	9,792.00	330.81
Trading	0.00	5.70	0.00	0.00	5.70	1,126.50	197.63
Creditors	0.00	7.30	0.00	0.25	7.55	1,501.00	198.81
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Jan 2003 Time	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	33.70	35.50	0.20	4.80	74.20	19,142.00	257.98
Total Fees Claimed						0.00	