

The Insolvency Act 1986

# Administrator's progress report

Name of Company A G Plant Hire Limited	Company number 03988633
In the Birmingham District Registry (full name of court)	Court case number 8343 of 2015

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

IAWe (a)  
Simon Gwinnutt  
Cirrus Professional Services  
The Derwent Business Centre  
Clarke Street  
Derby  
DE1 2BU

administrator(s) of the above company attach a progress report for the period

From (b) 22 September 2015	To (b) 21 March 2016
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Signed

*Simon Gwinnutt*  
Joint / Administrator(s)

Dated

04-01-16

## 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

Simon Gwinnutt Cirrus Professional Services The Derwent Business Centre Clarke Street Derby DE1 2BU	
DX Number	01332 333290/365967 DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -  
**Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff**



## **A.G. PLANT HIRE LIMITED – IN ADMINISTRATION ('the Company')**

### **Administrator's progress report in respect of the administration A.G. Plant Hire Limited, covering the period 22 September 2015 to 21 March 2016.**

This report should be read in conjunction with my previous reports to creditors.

#### **Asset realisations**

The following summarises the current position in the administration proceedings, in respect of the realisation of the Company's assets:

	<b>Estimated to realise, per the Director's Estimated Statement of Affairs £</b>	<b>Period: 22/09/2015 to 21/03/2016 £</b>
<b>Receipts</b>		
Office furniture and equipment	1,015.00	-
Goodwill	-	20,000.00
Licence fee	-	3,749.98
Book debts	Uncertain	22.90
Bank interest net of tax	-	0.49
	<u>1,015.00</u>	<u>23,773.37</u>

#### **Sale of assets**

A sale of the business and assets of the Company, was completed shortly after the appointment of the Administrator, on 22 September 2015. AG Plant Hire (UK) Limited, purchased the assets for the total amount of £35,000. Full details of the sale have been provided to creditors, in my report dated 22 October 2015.

The sale agreement includes. goodwill, plant and machinery, seller's records and leasehold property

The sale agreement allows for the purchaser to make seven monthly instalments to the Administrator, of £5,000. To date, the amount of £20,000, has been received As at the date of this report, the purchaser is two payments in arrears I have advised by the purchaser that a payment in connection with the outstanding monies, will be made by the end of the month.

#### **Licence fee**

The sale agreement also includes a licence for the purchaser to occupy the leasehold premises, whilst consent is sought, from the landlord, for the lease to be assigned

The final assignment of the existing lease, is yet to be effected. The amount detailed as being received from the purchaser, reflects the licence fee for the occupation of the leasehold premises

#### **Book debts**

The Director's Estimated Statement of Affairs shows realisable book debts of an uncertain amount. After consulting with the Director and the Company's external accountant, I have been advised that the Company did not have any collectable debts, as at the appointment of the Administrator.

The amount shown, reflects a dividend distribution from a debtor company, in liquidation.

#### **Bank interest net of tax**

The amount received, relates to funds held in the Administrator's bank account, during the report period.

### **Statement of Insolvency 13 ("SIP 13") disclosure**

I am required, in accordance with SIP 13, to disclose to creditors the details of any assets sold by the Administrator, to connected parties.

I confirm that the sale of assets to AG Plant Hire (UK) Limited, is a related-party transaction. The purchaser company is owned and operated by the Director's partner, Nicola Harper.

### **Liabilities**

#### **Secured creditor**

Lloyds Bank Plc, holds a debenture containing fixed and floating charges, created on 2 April 2004 and registered on 7 April 2004.

It is anticipated that a distribution will be made to Lloyds Bank in due course, under its fixed charge.

#### **Preferential unsecured creditors**

The Company's employees were transferred under TUPE Regulations to AG Plant Hire (UK) Limited, as a part of the sale agreement. I do not therefore anticipate receipt of any preferential claim(s), in this matter.

#### **Non-Preferential unsecured creditors**

As per the Director's Statement of Affairs, outstanding creditor claims are expected to total £559,239. To date I have received thirteen claims, totalling £1,384,576.

On current information, it is unlikely that a dividend distribution will be payable to non-preferential unsecured creditors. I have not, therefore, agreed creditor claims or requested completed claim forms from those creditors with an outstanding proof

### **The 'prescribed part' provisions**

The 'prescribed part' provisions of section 176A of the Insolvency Act 1986, provide that a proportion of the net assets which would otherwise be paid to the floating charge-holder, are set aside for the benefit of the non-preferential unsecured creditors.

Owing to the level of realisations in this matter, the Company's net property is likely to be below the prescribed limit of £10,000. The provisions will not therefore apply in this case

At present, I do not intend to apply to Court pursuant to Section 176A(5) of the Insolvency Act 1986, to disapply the provisions.

### **Investigation matters**

I would advise creditors that, in accordance with the Company Directors Disqualification Act 1986, I have submitted my report to the Department for Business, Enterprise & Regulatory Reform on the Director's conduct.

It has been noted that HM Revenue and Customs have raised concerns in connection with the Director trading the Company, to the detriment of HM Revenue and Customs.

As previously reported, HM Revenue and Customs proposed a modification to the Administrator's proposals, where the Company be moved to liquidation. The subsequently appointed liquidator will review the concerns raised and report to creditors accordingly.

### **Director's Estimated Statement of Affairs**

Paragraph 49 of Schedule B1 of the Insolvency Act 1986, states that the Administrator should require one or more persons to provide a Statement of Affairs of the Company, which should then be filed with the Registrar of Companies.

I confirm that the Director has submitted a Statement of Affairs, which was submitted to Companies House on 29 October 2015 and filed on 6 November 2015

### **Administrator's receipts and payments**

I attach to this report at Appendix A, a summary of my receipts and payments covering the period 22 September 2015 to 21 March 2016, for creditors' information.

### **Administrator's fees and disbursements**

Pursuant to Rule 2 106(2) of the Insolvency Rules 1986, I am obliged to fix my remuneration either as a percentage of the value of the property with which I have had to deal, by reference to the time that myself and my staff have spent attending to matters in the administration, or alternatively as a set amount

At the first creditors' meeting held (by post) on 2 December 2015, a resolution confirming that the Administrator (and any subsequent liquidator), be authorised to draw fees on a time-cost basis, was approved.

Furthermore, creditors have also approved my pre-appointment time costs of £8,772.50, along with my advising solicitor's pre-appointment legal costs of £14,688.50, pre-appointment legal disbursements of £275 and agent's fees of £1,000. The costs relate primarily to the drafting and filing of appointment documents and the drafting of the Asset Sale Agreement

For creditors' information, my post-appointment time costs to 21 March 2016, summarised at Appendix B, are £17,670, representing 65.10 hours at an average rate of £271.43 per hour. Further details of my charge-out rates and policy regarding recharge of disbursements and the use of agents, are attached at Appendix C. As at the date of this report, no Administrator's fees have been drawn and no pre-appointment costs have been paid.

Creditors should note that a copy of the Creditors' Guide to office holder(s) fees is available on request from this office; or the relevant guide can be found on the Insolvency Practitioners Association's website ([www.insolvency-practitioners.org.uk](http://www.insolvency-practitioners.org.uk)) under the heading 'regulation and guidance', by following the link 'creditors guides'.

Within 21 days of receipt of this progress report, a creditor may request further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

The Administrator must provide the requested information within 14 days, unless he considers that.

- the time and cost involved in preparing the information would be excessive, or;
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or;
- the Administrator is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days of the Administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

I have also obtained approval, in respect of the basis upon which I recharge internal disbursements that include an element of allocated costs. Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally comprise items such as bonding, identifiable telephone calls, postage, case advertising, invoiced travel and properly-reimbursed expenses. Also included will be services specific to the case where these cannot practically be provided internally - such as room hire, postage and secure record destruction.

Creditors have authorised, that I may recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as internal room hire, documents storage or communication facilities provided by me). Such expenditure is referred to as a "category 2 disbursement". The following items of expenditure are recharged on this basis, and are believed to be in line with the cost of external provision

Photocopying	Recharged at 10p per sheet
Room hire	£100 per meeting held at Cirrus Professional Services' offices
Archiving of files and company records	Recharged at £12 per box per annum (or part thereof)
Car mileage	45p per mile

Disbursements which have been incurred by Cirrus Professional Services are detailed below:

	Amount incurred by Cirrus, to date £	Amount reimbursed £
Specific bond	900.00	Nil
Statutory advertising	71.00	Nil
Travel	30.60	Nil
Postage	95.76	Nil
Photocopying	159.60	Nil
	<u>1,256.96</u>	<u>Nil</u>

#### **Specific bond**

I am required by law, to take out a specific bond which will reimburse the estate in the event of fraudulent activity by the office-holder. I am bonded for the amount of £50,000, at a cost of £900.

#### **Statutory advertising**

Statutory advertisements have been placed in the London Gazette, as required To date the amount of £71, has been incurred, in this respect.

#### **Travel**

The amount of £30.60, was incurred in respect of travelling to and from the Company's former trading premises.

#### **Postage**

The amount of postage charged, relates to the cost of circulating any notices and reports, to creditors

#### **Photocopying**

Copying of the previous correspondence to creditors has been accrued at a rate 10 pence per sheet, as detailed above

#### **Statutory disclosure points**

I am required, in accordance with rule 2.110(2) of the Insolvency Rules 1986 (as amended), to provide in this report a summary of

- (a) the Administrator's proposals;
- (b) any major amendments to, or deviations from, those proposals;
- (c) the steps taken during the administration and,
- (d) the outcome

The resolutions contained in the Administrator's proposals, as approved by creditors on 2 December 2015, are attached at Appendix D. There have been no major amendments to, or deviations from, the Administrator's proposals. The steps taken during the administration were those necessary to effect the Administrator's proposals, including (but not limited to) the realisation of the Company's assets and the collation and agreement of creditor claims.

### **Administration exit route**

I have taken steps to end the administration and to commence the liquidation of the Company, in accordance with the modification to the Administrator's proposals.

### **Outstanding matters**

The following matters are required to be addressed, prior to case closure:

- effecting the transition from administration to liquidation;
- the realisation of deferred consideration, relating to the sale of the Company's assets;
- reviewing the following matters:
  - (i) the sale of the Company's freehold premises, prior to the administration; and
  - (ii) the transfer of financed assets, to the company which purchased the business of the Company, prior to the administration
- investigations into the actions of the Director, by the Liquidator, pursuant to matters raised by HM Revenue and Customs, and
- the formalities regarding my subsequent release from office

### **Further assistance**

Should you require any further information, please contact either myself or Jodie Raymond at my office.

**Statutory information**

<b>Company name</b>	A.G. Plant Hire Limited
<b>Company number</b>	03988633
<b>Date of incorporation</b>	9 May 2000
<b>Nature of business</b>	Renting and leasing of construction and civil engineering machinery and equipment
<b>Registered office</b>	Unit 30 The Derwent Business Centre Clarke Street Derby DE1 2BU
<b>Former registered office</b>	Gate House Cottage Kingsley Road Werrington Stoke on Trent ST9 0DJ
<b>Court and number</b>	High Court of Justice, Chancery Division Birmingham District Registry no 8343 of 2015
<b>Office holder</b>	Simon Gwinnutt
<b>IP number</b>	8877
<b>Firm</b>	Cirrus Professional Services
<b>Address</b>	Unit 30 The Derwent Business Centre Clarke Street Derby DE1 2BU
<b>Type of appointment</b>	Administration
<b>Date of appointment</b>	22 September 2015
<b>Appointed by</b>	Director, Andrew Gimbert
<b>Change to office holders</b>	None

## **1. Case Overview**

At the first creditors' meeting held (by post) on 2 December 2015, a resolution confirming that the Administrator (and any subsequent liquidator), be authorised to draw fees on a time-cost basis, was approved.

Furthermore, creditors have also approved my pre-appointment time costs of £8,772.50, along with my advising solicitor's pre-appointment legal costs of £14,688.50, pre-appointment legal disbursements of £275 and agent's fees of £1,000. The costs relate primarily to the drafting and filing of appointment documents and the drafting of the Asset Sale Agreement.

For creditors' information, my post-appointment time costs to 21 March 2016, summarised at Appendix B, are £17,670; representing 65.10 hours at an average rate of £271.43 per hour. Further details of my charge-out rates and policy regarding recharge of disbursements and the use of agents, are attached at Appendix C. As at the date of this report, no Administrator's fees have been drawn and no pre-appointment costs have been paid

## **2. Administrator's charging and disbursements recovery policies**

Staff grades used on this case include Partner, Manager, Administrator and various cashiering and support staff.

All time costs relate to staff who have worked on the case and have been charged on the basis of actual time spent administering the case. No time cost has been charged as an overhead cost of the firm.

Disbursements charged to this case include charges for statutory advertisements, redirection of mail, company searches, travel recharge, hire of meeting room for creditors' meeting and the Administrator's bordereau in accordance with the Insolvency Rules 1986 and the Insolvency Practitioners Regulations 1990

## **3. Narrative description of work carried out**

- Administration and set up of case files and Administrator's cashbook
- Maintaining and reviewing and case planning
- Preparation of post appointment statutory notices
- Preparation of Director's conduct return/report as required by Company Directors Disqualification Act 1986
- Notifying creditors of Administrator's appointment and complying with creditors' requests for information
- Corresponding with H M Revenue & Customs in respect of PAYE/Ni and VAT
- Acknowledgement of creditors' claims and general correspondence
- Maintaining Administrator's bank accounts and cashbook
- Completion of post appointment tax returns
- Completion of statutory returns as required by the Insolvency Act 1986 and Insolvency Rules 1986
- Corresponding and dealing with the employees redundancy claims



**APPENDIX A****A.G. Plant Hire Limited – in Administration****Administrator's summary receipts and payments**

	<b>Estimated to realise, per the Director's Statement of Affairs £</b>	<b>Report period: 22 September 2015 to 21 March 2016 £</b>
<b>Receipts</b>		
Office furniture and equipment	1,015.00	-
Goodwill	-	20,000.00
Licence fee	-	3,749 98
Book debts	Uncertain	22 90
Bank interest net of tax	-	0.49
VAT payable	-	749.99
	<u>1,015.00</u>	<u>24,523.36</u>
<b>Payments</b>		
Chattel agent's fees	-	1,000.00
VAT receivable	-	200 00
		<u>1,200.00</u>
Balance in hand		<u>23,323.36</u>

Case name A G Plant Hire Limited  
Case type Administration  
Summary of Administrator's time costs  
22 September 2015 to 21 March 2016

	Hours Spent						
	Partner	Manager	Supervisor	Case Administrator	Junior Case Administrator	Cashier	Support Staff
	(£325 per hour)	(£250 per hour)	(£225 per hour)	(£150 per hour)	(£125 per hour)	(£125 per hour)	(£75 per hour)
Assets	7 60	1 40	-	-	-		
Case administration	9 90	21 50	1 00	0 50	-		
Creditors	6 80	3 70	-	-	-		
Employees	-	-	-	-	-		
Investigations	4 40	3 80	-	-	-		
Cashiering						2 10	
Support							2 40
<b>Total hours</b>	<b>28 70</b>	<b>30 40</b>	<b>1 00</b>	<b>0 50</b>	<b>-</b>	<b>2 10</b>	<b>2 40</b>
<b>Total fees (£)</b>	<b>9,327 50</b>	<b>7,600 00</b>	<b>225 00</b>	<b>75 00</b>	<b>-</b>	<b>262 50</b>	<b>180 00</b>
<b>Total chargeable hours</b>	65 10						
<b>Total chargeable cost</b>	£ 17,670 00						
<b>Average hourly rate</b>	£ 271 43						

Activity Definitions	Examples of work involved
Administration and planning	Case planning, administrative set-up, appointment notification, maintenance of records, statutory reporting including court attendances, preparation of Administrator's proposals and liaising with solicitors
Investigations	Investigating transactions arising prior to Insolvency, collating information for the purposes of the reporting requirements of the Company Directors Disqualification Act 1986
Realisation of assets	Identifying, securing, insuring assets, ROT claims, debt collection, sale of business and/or assets
Trading	Management of operations, accounting for trading, employee issues etc
Creditors	Communication with creditors, creditors' claims (including employees and other preferential creditors), and dealings with the secured (appointing) creditor
<i>The above list is not exhaustive</i>	

## APPENDIX C

### CREDITORS' GUIDE TO ADMINISTRATOR'S FEES CIRRUS PROFESSIONAL SERVICES FEES AND DISBURSEMENT RECHARGING POLICY

#### Charge-out Rates

Grade	Charge-out rate (£ per hour)
Appointment Taker	325
Manager	250
Supervisor	225
Administrator	150
Junior Administrator	125
Cashier	125
Support	75
Time costs are calculated using 6 minute units	

#### Agent's costs

Charged at time costs and/or agree realisation percentage, as appropriate. The term agent includes

- solicitors
- auctioneers/valuers/sale agents
- accountants
- chartered quantity surveyors
- estate 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, being expenses directly referable to a third party, e.g. postage, statutory advertising, external meeting room hire, specific bond insurance and courier costs, external archive, storage and subsequent destruction and company search fees, or category 2, being expenses incurred and recharged to the estate, which may include a profit element, e.g. internal meeting room hire, record storage, photocopying and care mileage.

Category 1 disbursements are recoverable in full from the estate without the prior approval of creditors. Category 2 disbursements are recoverable in full from the estate, subject to the basis of the disbursement allocation being approved by creditors in advance.

Category 2 disbursements are proposed to be recovered as follows:

Photocopying	Recharged at 10p per sheet
Room hire	£100 per meeting held at Cirrus Professional Services' offices
Archiving of files and company records	Recharged at £12 per box per annum (or part thereof)
Car mileage	45p per mile

Rates/figures since: February 2015

## APPENDIX D

**A.G. Plant Hire Limited – in Administration**

**Company Number: 03988633**

**In the High Court of Justice, Chancery Division, Birmingham District Registry**

**Court Case Number: 8343 of 2015**

### **Creditors' resolutions passed on 2 December 2015**

**Resolution 1:** That the Administrator's proposals be approved

**Resolution 2:** That the pre-administration costs, including any applicable VAT, of Cirrus Professional Services, The Wilkes Partnership and MGR Appraisals, as detailed in section 10 of the report, be authorised to be discharged from the Company's administration estate funds

**Resolution 3:** That the Administrator be remunerated in accordance with the time properly spent by him and his staff in attending to the matters arising in the Administration, at their firm's usual charge out rates and that such remuneration may be drawn on account

**Resolution 4:** That the Administrator may recover his disbursements, as detailed in section 10 of the report, together with any future disbursements incurred

**Resolution 5:** That the Administration be exited, at the Administrator's discretion, either within 12 months following the Administrator's appointment by way of dissolution of the Company, the timing of which shall be at the absolute discretion of the Administrator; or within 12 months following the Administrator's appointment, by way of the Company moving into creditors' voluntary liquidation with Simon Matthew Gwinnutt being appointed as Liquidator for the purpose of winding up, the timing of which shall be at the absolute discretion of the Administrator

**Resolution 6:** That the liability of the Administrator in respect of his actions whilst in office shall be discharged in accordance with Paragraph 98 of Schedule B1 of the Insolvency Act 1986, immediately upon the office of Administrator ceasing to have effect