

The Insolvency Act 1986

Administrator's progress report

Name of Company

AGIRX (ACTIVE GENE INTERVENTIONS)
LIMITED

Company number

04722549

In the
Eastbourne County Court

(full name of court)

Court case number
A02 of 2011(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Nicola Jayne Fisher
Herron Fisher
Satago Cottage
360a Brighton Road
Croydon
CR2 6ALChristopher Herron
Herron Fisher
Satago Cottage
360a Brighton Road
Croydon
CR2 6AL

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

From


To

(b) Insert date

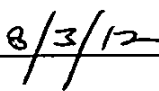
(b) 30 August 2011

(b) 29 February 2012

Signed


Joint / Administrator(s)

Dated


8/3/12**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

Nicola Jayne Fisher
Herron Fisher
Satago Cottage
360a Brighton Road
Croydon
CR2 6AL

DX Number

020 8688 2100
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

C

FRIDAY

A08 09/03/2012 #31
COMPANIES HOUSE



HERRON FISHER
INSOLVENCY AND BUSINESS RECOVERY

TO ALL KNOWN CREDITORS

8 March 2012

Our Ref CH/NF/AGI0471
Your Ref

Dear Sirs

AGIRX (ACTIVE GENE INTERVENTIONS) LIMITED – IN ADMINISTRATION

This is our report on the progress of the administration of the company for the period from 30 August 2011 to 29 February 2012. This report should be read in conjunction with our proposals to creditors dated 19 October 2011.

If creditors have any queries regarding this report or the conduct of the administration in general, they should contact me on the telephone number below or by email at chris.herron@herronfisher.co.uk

Yours faithfully

CHRIS HERRON
Joint Administrator

The affairs, business and property of the company are being managed by the joint administrators who act as agents of the company

Authorised to act as Insolvency Practitioners in the UK by the Insolvency Practitioners Association

ADMIN

SATAGO COTTAGE 360a BRIGHTON ROAD CROYDON CR2 6AL
TEL 020 8688 2100 FAX 020 8688 4200

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Partners: Christopher Herron BSc(Hons) FIPA FABRP & Nicola Jayne Fisher FMAAT MIPA FABRP
Authorised to act as Insolvency Practitioners by The Insolvency Practitioners Association
Partners acting as administrative receivers and administrators contract without personal liability
Also in Eastbourne - Tel 01323 723643

AGIRX (ACTIVE GENE INTERVENTIONS) LIMITED
ADMINISTRATORS' PROGRESS REPORT TO CREDITORS
FOR THE SIX MONTHS ENDING 29 FEBRUARY 2012

STATUTORY INFORMATION

Company name	AGIRx (Active Gene Interventions) Limited
Previous company name	Active Gene Interventions Limited (changed 15 May 2003)
Registered office	Satago Cottage, 360a Brighton Road, Croydon CR2 6AL
Former registered office	1 The Courtyard, Chalvington, Hailsham, East Sussex BN27 3TD
Registered number	04722549
Date of incorporation	3 April 2003
Trading address	1 The Courtyard, Chalvington, Hailsham, East Sussex BN27 3TD
Previous trading address	N/A
Principal trading activity	Research & development - natural sciences
Joint Administrators' names	Christopher Herron and Nicola Jayne Fisher
Joint Administrators' address	Satago Cottage, 360a Brighton Road, Croydon CR2 6AL
Joint Administrators' date of appointment	30 August 2011
Court name and reference	Eastbourne County Court no A02 of 2011
Appointment made by	Directors
Joint administrators' actions	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the administrators acting jointly or alone

RECEIPTS AND PAYMENTS ACCOUNT

Our Receipts & Payments Account for the period from the date of administration to 29 February 2012 is attached at Appendix I

ASSETS

The assets consist of clinical data, both hard copy documents and electronic, cell samples, the domain name, various supplier contracts and intellectual property including patents

These assets are extremely difficult to value, however, the company had itself commissioned a valuation shortly before our appointment from Bridgehead International Limited, experts in this field, which was never released to the company as they could not pay for it. We agreed with Bridgehead that they would release the valuation directly to us, this has been received and we are to pay them

from the sale proceeds if we are able to effect a sale

It appears that there may also be a small refund due from the Polish VAT authorities and we are corresponding with them in this regard

LIABILITIES

A list of creditors' claims received is attached at appendix II. No claims have yet been agreed, as there is no money to pay any creditor at this stage

Secured Liabilities

An examination of the company's mortgage register held by the Registrar of Companies showed that the company has not granted any debentures

Preferential Creditors

The statement of affairs anticipated no preferential creditors and no preferential claims have been received

Crown Creditors

The statement of affairs included £nil owed to HMRC. HMRC's provisional claim of £100 has been received, this is understood to be a penalty

Unsecured Creditors

The statement of affairs included 46 unsecured creditors with an estimated total liability of £2,592,513. We have received claims from 14 creditors, including HMRC, at a total of £982,220. To date we have not received claims from 32 creditors with estimated claims in the statement of affairs of £1,668,340

ADMINISTRATORS' ACTIONS SINCE APPOINTMENT

On 23 August we had received a firm, unconditional offer from AGI. However, by 30 August AGI had not provided us with any proof of funding. We placed an online advertisement offering the business for sale which attracted some interest and negotiations opened up with other parties

Six prospective buyers were identified from the advertisement and other publicity and all were sent non-disclosure agreements. Two were subsequently sent sales packs. In addition, two other possible buyers emerged, one had been interested in acquiring the assets in 2010 and the other was a creditor. The creditor also signed the non-disclosure agreement and was sent a sales pack

As at the date of this report only one offer has been received, from AGI. AGI still remains the most likely purchaser, although we believe it to be without funding at present

"Trading" has continued to preserve the goodwill pending a sale as a going concern following marketing and to try to keep the patients who are on trials alive. However, there have been no sales and no purchases during the trading period and any ongoing operations are again reliant on the goodwill of third parties. We have not (and will not) assume responsibility for the trials themselves or for the provision of drugs for the trials. Effectively the company has been "mothballed" pending a sale

There has been no change in strategy since the date of the proposals, but some registered patents are expiring and there is no funding available to renew these. AGI has indicated that it will fund these renewals – at its own risk, as it may never actually complete its proposed purchase – but so far no funds have been received

As stated above, we cannot be sure that AGI will purchase the assets and we are still looking for a

buyer. Creditors are invited to submit indicative offers if they are interested in purchasing the assets

The administrators' proposals were approved at a meeting of creditors held on 7 November 2011, with the following modification

Before moving to creditors' voluntary liquidation, compulsory liquidation, dissolution or otherwise ending the administration, the administrators will convene another meeting of creditors to seek their views. An updated report to creditors will be issued at this time

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

We undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved

There were no matters that justified further investigation in all the circumstances of this appointment

Within six months of our appointment as administrators, we are required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company. We confirm that our report has been submitted

PRE-ADMINISTRATION COSTS

On 7 November 2011 the following pre-appointment costs were approved by creditors

	£
Administrators' remuneration	3,185
Legal fees – administrators' solicitors (Gateley LLP) – accrued	913
Court fee	35
Marketing – advertisement	109
Company search	2
Total	£4,244

ADMINISTRATORS' REMUNERATION

Our remuneration was previously authorised by creditors on 7 November 2011 to be drawn on a time cost basis. Our time costs to 2 March 2012 amount to £23,402, of which £11,607 was charged in the period between 19 October and 2 March. We have not yet been able to draw any remuneration in this matter. A schedule of our time costs incurred to date is attached as Appendix III

A description of the work undertaken in the administration to date is as follows

1. Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS case management software
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors

- Convening and holding the meeting of creditors

2. Cashiering

- Maintaining and managing the administrators' cashbook and bank account (minimal work required in this case)
- Ensuring statutory lodgments and tax lodgment obligations are met

3. Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS case management software
- Reviewing, and adjudicating on if necessary, proofs of debt received from creditors

4. Investigations

- Review and storage of books and records
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into suspicious transactions
- Review books and records to identify any transactions or actions an administrator may take against a third party in order to recover funds for the benefit of creditors

5. Realisation of Assets

- Liaising with interested parties
- Liaising with provider of virtual data room facilities
- Liaising with patent agents and numerous licensing authorities
- Correspondence with the Polish VAT authorities

Please go to www.herronfisher.co.uk/links for the "creditors' guide to fees" if you require further information relating to administrators' remuneration. Please note that there are different versions for cases that commenced before or after 6 April 2010 and in this case you should refer to the post April 2010 version. A hard copy can be obtained on written request to our office.

ADMINISTRATORS' EXPENSES

Our expenses to 29 February 2012 amount to £465 of which £322 was incurred in the period from 19 October to 29 February. The expenses are analysed below. We have not yet been able to draw any expenses in this matter.

Description	To be paid £
Travel to Gatwick for creditors' meeting	15
Room hire - meeting	148
Mileage – in connection with data storage	61
Rail fares – meeting directors	16
Bond	60
Legal advertisements	68
Postage	50
Photocopying	47
Total	£465

In addition, the following agents or professional advisors have been utilised in this matter:

Professional Advisor	Nature of Work	Fee Arrangement
Bridgehead International	Valuer	Fixed fee of £5,000 plus VAT
Gateley LLP	Solicitors	Time costs
Dr Volker Vossius	Patent attorneys	To be agreed – only if funds become available
Bird & Bird	Patent attorneys	To be paid by AGI

The choice of professionals was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them. The fees charged have been reviewed and we are satisfied that they are reasonable in the circumstances of this case.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

DIVIDEND PROSPECTS

Secured creditors – there are no creditors in this category.

Preferential creditors – there are no creditors in this category.

Floating charge creditors – there are no creditors in this category.

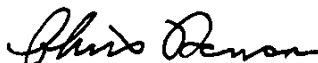
Ordinary unsecured creditors – if AGI makes good on its offer, creditors may still expect to receive a dividend in the order of 35p in the pound, but this figure is also very much dependent on how many creditors actually lodge claims.

As there is no qualifying floating charge in this matter the prescribed part provisions will not apply.

SUMMARY

The administration will remain open until the assets have been sold or the possibility of such a sale is decided to be negligible or not cost effective. Once this issue has been dealt with we shall, as set out above, convene another meeting of creditors to seek their views prior to moving to creditors' voluntary liquidation, compulsory liquidation, dissolution or otherwise ending the administration. An updated report to creditors will be issued at this time.

Should you have any queries regarding this matter please contact me.



CHRIS HERRON
Joint Administrator

**AGIRx (Active Gene Interventions) Ltd
(In Administration)**

Appendix 1

**Income and Expenditure Account
30 August 2011 to 29 February 2012**

INCOME	Total (£)
	<u>0.00</u>
EXPENDITURE	
	<u>0.00</u>
Balance	<u>0.00</u>
MADE UP AS FOLLOWS	
	<u><u>0.00</u></u>

Herron Fisher
AGIRx (Active Gene Interventions) Ltd
Creditor Claims Summary Report

Appendix II

Key	Name	Rep. By	S of A £	Claim £	Agreed Claim £
CA00	AGITAM WCO		59,380 99	0 00	0 00
CA01	AGITAM PI		100,000 00	0 00	0 00
CA02	Ambrafund Advisors Limited		145,000 00	0 00	0 00
CB00	Baker & McKenzie		14,805 56	0 00	0 00
CB01	Baker & McKenzie LLP		120,000 00	144,000 00	0 00
CB02	Barnes Roffe		5,330 25	0 00	0 00
CB03	BioContract Sp z o o		497,316 00	0 00	0 00
CB04	Bioreliance Limited		1,680 62	0 00	0 00
CB05	Renata Blizniak		7,234 09	0 00	0 00
CB07	Buchanan Holdings Ltd		480,000 00	0 00	0 00
CB08	Biologica Consulting		13,866 61	13,521 58	0 00
CC00	Charnley Nickols Associates Limited		13,725 25	13,725 25	0 00
CC01	Covance Laboratories Limited		7,626 45	0 00	0 00
CC02	CTC - Magdalena Grzelak-Zarzecka		11,915 58	0 00	0 00
CC03	CTC - Jolanta Konarska-Zalewska		11,953 03	0 00	0 00
CD00	Joe Dowling c/o Dennis O'Sullivan		250,000 00	250,000 00	0 00
CE00	ETAM WCO		24,256 44	0 00	0 00
CG01	GMP Manufacturing Services		0 00	0 00	0 00
CG02	Dr Margot Gralinska		0 00	0 00	0 00
CH00	Huntingdon Life Sciences		132,410 50	132,410 50	0 00
CH01	HM Revenue & Customs		0 00	100 00	0 00
CJ00	Brian & Elizabeth Jenkins		5,548 07	7,000 00	0 00
CJ01	Jenkins & Jenkis Limited		2,261 88	0 00	0 00
CK00	Kendle		16,534 00	0 00	0 00
CK01	Urszula Kazimierczak		6,359 09	0 00	0 00
CL00	Jolanta Lozinska		3,879 55	0 00	0 00
CL01	Marzena Libera		6,197 73	0 00	0 00
CM00	Andrzej Mackiewicz		100,000 00	0 00	0 00
CM01	MCR		112,979 00	112,979 00	0 00
CMISD	MISC - other polish suppliers		2,963 61	0 00	0 00
CMISE	Agnieszka Majer (Raczka)		4,111 36	0 00	0 00
CMISF	Art Matthews		0 00	0 00	0 00
CN00	Nickel Grupa Holdings Limited		100,000 00	0 00	0 00
CN01	Natwest		2 14	2 14	0 00
CO00	Orion Clinical Services Limited		151,091 03	181,413 05	0 00
CP00	Pharma Alliance International Limited		38,090 39	38,090 39	0 00
CR00	Mikolaj Rybarczyk		2,672 73	0 00	0 00
CS01	Science Scribes Ltd		5,865 00	5,865 00	0 00
CS02	Dr Wiktoria M Suchorska, PhD		7,513 64	0 00	0 00
CT00	David Thomassen		20,000 00	0 00	0 00
CT01	Texcell		3,909 00	0 00	0 00
CT02	Paulina Tomasiewicz (Podskarbi)		4,043 18	0 00	0 00
CU00	University of Southampton		54,692 43	55,697 06	0 00
CV00	Volker Vossius		25,901 84	27,416 31	0 00
CW00	Witold Taljanski-Zygmunt		14,413 68	0 00	0 00
CZ00	Monika Zakowska		6,981 82	0 00	0 00
46 Entries Totalling			2,592,512.54	982,220.28	0.00

AGIRx (Active Gene Interventions)

Period

[illegible]

Case Specific 1	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case Specific 2	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	85 60	0 00	17 30	0 00	102 90	23,402 00	227 42
Total Fees Claimed						0 00	