

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) 1 February 2013

(b) 20 February 2013

Signed

C. Herron
Joint / Administrator(s)

Dated

*29/3/13***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



A04 01/03/2013 #376
COMPANIES HOUSE

AGIRX (ACTIVE GENE INTERVENTIONS) LIMITED
ADMINISTRATORS' FINAL PROGRESS REPORT TO CREDITORS

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

By a postal resolution effective on 17 August 2012, the creditors extended the administration of the company for a period of six months, such that the administration would now end automatically on 28 February 2013

RECEIPTS AND PAYMENTS ACCOUNT

We have now completed our administration of the company. Our Receipts & Payments Account for the period from 30 August 2011 to 20 February 2013 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 were 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 assuming the sale concludes

On 23 August 2011 we had received a firm, unconditional offer of £1 million from AGI Biopharmaceuticals Poland Sp z o o ("AGI"), a connected party. AGI has not, despite continual pressure from ourselves, made good on this offer and we are informed that it still has no money at all.

However, at the last possible moment and to stop the assets being lost, one of the directors, Professor Andrzej Mackiewicz, has made a firm offer of £100,000 for the assets. Heads of terms have been agreed and signed and it is hoped to complete the transaction in the next few days.

Despite marketing by the administrators and other expressions of interest being received, nobody else had ever made an actual offer for the assets. There was therefore no option but to accept Professor Mackiewicz's offer.

It appeared that there might also have been a very small refund due from the Polish VAT authorities but this proved to be irrecoverable.

LIABILITIES

A list of creditors' claims received is attached at Appendix II.

Secured Creditors

An examination of the company's mortgage register held by the Registrar of Companies showed that the company had 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 other unsecured creditors with an estimated total liability of £2,592,513. We have received claims from 18 creditors, including HMRC, at a total of £1,123,793. To date we have not received claims from 29 creditors with estimated claims in the statement of affairs of £1,468,720.

SUMMARY OF THE ADMINISTRATORS' PROPOSALS

In order to achieve the objective of the administration of the company we proposed to continue to push AGI to complete the purchase, assuming the price to be acceptable to us, whilst at the same time exploring other possible interested parties.

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."

This meeting was duly held on 5 February 2013. No creditor attended, although some proxies were received. No views were expressed except the disappointment of some creditors that AGI had not come up with the £1 million it had offered.

STEPS TAKEN DURING THE ADMINISTRATION

As stated above, on 23 August 2011 we had received a firm, unconditional offer of £1 million from AGI but by 30 August 2011 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. Other interested parties emerged over the next eighteen months, including pharmaceutical companies, and more sales packs were sent out, but no offers were forthcoming.

"Trading" 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 were no sales and no purchases during the trading period. We did not (and will not) assume responsibility for the trials themselves or for the provision of drugs for the trials. Effectively the company was "mothballed" pending a sale.

There was no change in strategy since the date of the proposals, but some registered patents expired as there was no funding available to renew these. AGI indicated that it would fund these renewals – at its own risk, as it might never actually complete its proposed purchase and indeed ultimately did not – but we are informed that it did not do so.

Only two offers were ever received, from AGI and Professor Mackiewicz.

As stated above, a sale has now been agreed.

OUTCOME

The purpose of an administration is to achieve one of the three objectives set out in the insolvency legislation, which are to -

- (a) rescue the company as a going concern, or
- (b) achieve 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) realise property in order to make a distribution to one or more secured or preferential creditors.

Objective (a) could not be achieved as no purchaser could be found for the shares of the company and the company's financial circumstances meant that a company voluntary arrangement was not appropriate.

However, we have achieved objective (b) for the company by the preservation and sale of the business and assets as a going concern.

The administration of the company will end by us filing notice with the Registrar of Companies to place the company into creditors' voluntary liquidation and we shall be the liquidators of the company. We shall act jointly and severally in our duties.

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 minimal funds likely to be available to fund an investigation, and the costs involved.

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

Within six months of our appointment as administrators, we were 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

None of these costs has been paid

ADMINISTRATORS' REMUNERATION

Our remuneration was authorised by creditors on 7 November 2011 to be drawn on a time cost basis. Our time costs to 20 February 2013 amount to £37,254, which have been charged at an average charge out rate of £233, of which £4,680 was charged in the period between 12 January 2013 and 20 February 2013. We have not yet been able to draw any remuneration in this matter.

A schedule of our time costs incurred to date is attached at 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
- Agreeing a sale of the assets

We are required to disclose the sums paid to the office holder in respect of the supervision of trading. We did not really trade the company and so this does not apply.

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 of both the Creditors Guide and our firm's fee policy can be obtained on written request from the address above.

On 1 April 2012 our chargeout rates increased to £260 per hour for partners and £150 to £195 for other staff.

ADMINISTRATORS' EXPENSES

Our expenses to 20 February 2013 amount to £513 of which none were incurred in the period from 14 January to 20 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	62
Photocopying	83
Total	£513

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 – but 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 administrators' 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 administrators' 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

It appears likely that a small dividend will be payable to unsecured creditors and accordingly the company is being placed into creditors' voluntary liquidation to facilitate the distribution.

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 the sale completes, creditors may expect to receive a dividend in the order of 1p in the pound, but this figure is dependent on the costs of the liquidation and also 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 is now complete and our files will be closed as approved in the proposals. However, the company will now go into liquidation and we shall be liquidators. A copy of the notice referred to above is attached at Appendix IV.

Should you have any queries regarding this matter please contact us on the telephone number above.



CHRIS HERRON
Joint Administrator

Appendix 1

AGIRx (Active Gene Interventions) Ltd
(In Administration)

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 15/01/2013 To 20/02/2013 £	From 30/08/2011 To 20/02/2013 £
RECEIPTS			
Goodwill	Uncertain	0 00	0 00
Intellectual Property	Uncertain	0 00	0 00
		<u>0 00</u>	<u>0 00</u>
PAYMENTS			
Trade & Expense Creditors	(2,592,510 40)	0 00	0 00
Banks/Institutions	(2 14)	0 00	0 00
Ordinary A Shareholders	(20 00)	0 00	0 00
Ordinary B Shareholders	(59 00)	0 00	0 00
Ordinary C Shareholders	(113 00)	0 00	0 00
		<u>0 00</u>	<u>0 00</u>
BALANCE - 20 February 2013			<u><u>0.00</u></u>

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

Key	Name	Rep. By	S of A £	Claim £	Agreed Claim £
CA00	AGITAM WCO - now Orion - pay divi to Orion		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	11,124 86	0 00
CB01	Baker & McKenzie LLP		120,000 00	144,000 00	0 00
CB02	Barnes Roffe LLP		5,330 25	5,330 25	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	6,342 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 & Jenkins 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	238,762 95	0 00
CP00	Pharma Alliance International Limited		38,090 39	38,090 39	0 00
CP01	Poznan University of Medical Sciences		0 00	61,425 20	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 Tomaszewicz (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 Tajanski-Zygmunt		14,413 68	0 00	0 00
CZ00	Monika Zakowska		6,981 82	0 00	0 00
47 Entries Totalling			2,592,512.54	1,123,792.49	0 00

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	135 80	0 00	23 75	0 00	159 55	37,254 00	233 49
Total Fees Claimed						0 00	

The Insolvency Act 1986

2.34B**Notice of move from
administration to creditors'
voluntary liquidation**

Name of Company

AGIRX (ACTIVE GENE INTERVENTIONS)
LIMITED

Company number

04722549

In the
Eastbourne County Court

(full name of court)

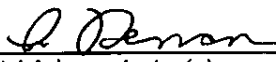
Court case number
AO2 of 2011(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a) Nicola Jayne Fisher
Herron Fisher
Satago Cottage
360a Brighton Road
Croydon
CR2 6ALChristopher Herron
Herron Fisher
Satago Cottage
360a Brighton Road
Croydon
CR2 6AL(b) Insert name and
address of the
registered office of
companyhaving been appointed administrator(s) of (b) AGIRX (ACTIVE GENE INTERVENTIONS) LIMITED
Satago Cottage 360a Brighton Road Croydon CR2 6AL(c) Insert date of
appointment

on (c) 30 August 2011

(d) insert name of
appointor/applicant
(e) Insert name(s)
and address(es) of
liquidator(s)by (d) the Directors
hereby give notice thatthe provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is
proposed that (e) Christopher Herron and Nicola Jayne Fisher both of Herron Fisher, Satago
Cottage, 360a Brighton Road, Croydon, CR2 6AL
will be the liquidator(s) of the company (IP No(s) 8755 and 9090)

We attach a copy of the final progress report

Signed


Joint / Administrator(s)

Dated

20 February 2013

Contact DetailsYou 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 with
forNicola Jayne Fisher
Herron Fisher
Satago Cottage
360a Brighton Road
Croydon
CR2 6AL

DX Number

020 8688 2100
DX ExchangeWhen 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

COMPANIES HOUSE

Computer Technology Limited, Glasgow, Scotland

THURSDAY

