

The Insolvency Act 1986

Administrator's progress report**2.24B**

Name of Company CCG Logistics (UK) Limited	Company number 05846379
In the High Court Of Justice Chancery Division Companies Court London (full name of court)	For court use only 02518 of 2011

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

I/We (a) Matthew Peter Bond and Andrew Gordon Stoneman of MCR, 43-45 Portman Square, London, W1H 6LY

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

From

To

(b) Insert date

(b) 22 March 2011

(b) 21 September 2011

Signed

Joint/Administrator(s)

Dated

19-10-11

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 searches of the public record

MCR
43-45 Portman Square
London
W1H 6LY
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21/10/2011

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COMPANIES HOUSE

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Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

**CCG Logistics (UK) Limited
(In Administration)**

**Joint Administrators' Progress Report to Creditors
for the period from 22 March 2011 to 21 September 2011
pursuant to Rule 2.47(1) of the
Insolvency Rules 1986 as amended**

19 October 2011

Names of Joint Administrators: Matthew Peter Bond
Andrew Gordon Stoneman

Date of appointment: 22 March 2011

Date of report: 19 October 2011

Appointed by: Investec Asset Finance plc
Windrush Court
Blacklands Way
Abingdon
Oxfordshire
OX14 1SY

Court reference: No. 02518 of 2011

MCR
43-45 Portman Square
London
W1H 6LY

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1. INTRODUCTION

- 1.1 Matthew Peter Bond and Andrew Gordon Stoneman of MCR were appointed Joint Administrators of CCG Logistics (UK) Limited ("the Company") on 22 March 2011 by an order of the High Court in London, Companies Court (number 02518 of 2011) ("the Court Order") pursuant to Paragraph 10 of Schedule B1 to the Insolvency Act 1986 ("the Act"). The application to the Court was made by Investec Asset Finance plc ("Investec"), a creditor of the Company.
- 1.2 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators are being exercised by any of the Administrators.
- 1.3 The purpose of this report is to provide creditors with details of the progress of the Administration, in accordance with Rule 2.47(1) of the Insolvency Rules 1986 ("the Rules") for the six month period to 21 September 2011.

2. JOINT ADMINISTRATORS' REPORT AND STATEMENT OF PROPOSALS

- 2.1 The Joint Administrators issued their Report to Creditors together with their Statement of Proposals ("the Proposals") on 19 April 2011.
- 2.2 In accordance with Paragraph 52(1) of Schedule B1 to the Act, a creditors' meeting was not required to be held as there will be insufficient realisations to enable a distribution to non-preferential unsecured creditors. No meeting was convened and in accordance with rule 2.33(5) of the Rules, the Proposals were deemed to have been approved by creditors on 3 May 2011.
- 2.3 As advised in the Joint Administrators' report dated 19 April 2011, the Joint Administrators must perform their functions with the purpose of achieving one of the following hierarchical objectives
- Rescuing the Company as a going concern; or
 - 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
 - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.4 In accordance with Paragraph 49(2) of Schedule B1 to the Act, the Joint Administrators believe that the first two objectives referred to above cannot be met. This is due to the Company ceasing to trade as a result of the prior Administration and that asset realisations are sufficient to enable a dividend to be paid to preferential creditors only.
- 2.5 This subsequent appointment was made due to a defect in the previous extension and was detailed in the report dated 19 April 2011.

3. PROGRESS OF THE ADMINISTRATION

3.1 The manner in which the affairs and business of the Company have been managed since the appointment of Joint Administrators and will continue to be managed and financed are set out below

3.2 As stated in the Joint Administrators' previous report, the purposes of the current Administration are:

- To continue and complete the preference action brought against the director of the Company, and
- Pay a dividend to preferential creditors

Book Debts

3.3 The Company's book debts are subject to an invoice finance agreement with Credit Agricole Commercial Finance Limited ("CACF"), formerly known as Eurofactor (UK) Limited.

3.4 CACF have now completed collections of the Company's book debts, resulting in a book debt surplus of £3,821, paid to the Administration estate on 26 May 2011. No further realisations are anticipated from this source

4. INVESTIGATIONS

4.1 As previously reported, the Joint Administrators have a statutory obligation to file a report with the Department for Business, Innovation and Skills regarding the conduct of all directors of the Company that served in the three years prior to the appointment. The content of this report is confidential and was submitted to the Insolvency Practitioners Compliance Unit on 18 April 2011

Preference Action

4.2 As previously stated, the Joint Administrators pursued a claim against the director of the Company in respect of payments made to specific creditors as a preference

4.3 The director subsequently proposed payment in the sum of £5,000 in full and final settlement of the preference action

4.4 The Joint Administrators have considered the details of the case, the costs of pursuing the action and the director's financial position. In order to avoid incurring additional costs that may not be recovered, the Joint Administrators agreed to the offer in full and final settlement of the matter

4.5 The Joint Administrators subsequently received £4,066 from the director, being the £5,000 offered less the director's residual preferential claim for unpaid wages and holiday pay, on 7 October 2011 and therefore does not appear in the receipts and payments account at attached at Appendix 2. No further realisations will be made from this source



5. DIVIDEND PROSPECTS / PRESCRIBED PART

Secured Creditors

- 5.1 All secured creditors were paid in full in the previous Administration

Preferential Creditors

- 5.2 The preferential creditors claims' received in the Administration total £26,950
- 5.3 The preferential creditors' claims consist of employee claims for arrears of pay and holiday pay, the majority of which are subrogated to the Department of Business, Innovation and Skills following payment to the employees by the Redundancy Payments Office ("RPO")
- 5.4 The RPO submitted a preferential claim totalling £19,724 on 11 May 2011 in respect of payments made to the Company's former employees
- 5.5 The employees' preferential claims were paid in full on 27 July 2011. The Joint Administrators are in the process of finalising payment to the RPO in respect of their subrogated claim and anticipate having all preferential creditors paid in full within the next two weeks.

Prescribed Part

- 5.6 Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a prescribed part of the Company's net property ("the Prescribed Part") shall be made available to non-preferential unsecured creditors
- 5.7 The Prescribed Part is calculated as a percentage of net property, as follows -
- | | |
|------------------------------------|--|
| Net property less than £10,000 | 50% unless it is considered that the costs of distribution outweigh the benefit to creditors |
| Net property greater than £10,000: | 50% up to £10,000 plus 20% thereafter to a maximum of £600,000 |
- 5.8 The maximum value of the Prescribed Part is £600,000
- 5.9 The Prescribed Part does not apply as there is no qualifying floating charge holder following secured creditors being paid in full in the previous Administration

Non-Preferential Unsecured Creditors

- 5.10 According to the Company's books and records, non-preferential unsecured creditors total £1,022,025 as at 22 March 2010. Claims totalling £3,471,545 have been received to date

- 5 11 The non-preferential unsecured creditors can be summarised as set out below:

	£
Trade & Expense Creditors	3,288,744
Employees	23,997
HM Revenue & Customs	158,804
Total	3,471,545

- 5 12 There will be insufficient funds available to enable a dividend to be paid to the non-preferential unsecured creditors of the Company

6. JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

- 6 1 A detailed receipts and payments account, for the period 22 March 2011 to 21 September 2011, is shown in Appendix 2
- 6 2 No Statement of Affairs ("SOA") was received from the director of the Company in the prior Administration. In view of the fact that a SOA was not previously received and it is considered that all assets have been realised in the prior Administration, the Joint Administrators did not require the director to provide a SOA in accordance with Paragraph 48(2)(a) of Schedule B1 to the Act. It would have been costly and of no benefit to the Administration to pursue an SOA

7. PRE-ADMINISTRATION COSTS

- 7 1 As a result of the Administration immediately following on from the previous Administration there are no pre-Administration costs. However, the Court Order appointing the Joint Administrators provided that any fees or expenses incurred between the actual date of the Joint Administrators' appointment and the court hearing on 7 April 2011 be considered fees and expenses in accordance with Paragraph 99(3) of Schedule B1 to the Act. The Court Order also provided that the assets of the former Administration be treated as having passed to the current Administration subject to the statutory charge provided for in Paragraph 99(3) of Schedule B1 to the Act in relation to the fees and expenses incurred by the Joint Administrators in the former Administration.

8. JOINT ADMINISTRATORS' TIME COSTS AND EXPENSES INCURRED

- 8 1 The Joint Administrators will not be seeking the approval of creditors with regard to their authorising payment of their time costs in this Administration, as there will be insufficient funds available for the Joint Administrators to draw a fee once the remaining time costs from the previous Administration have been discharged. The Joint Administrators' time costs incurred during the previous Administration were approved by creditors at a meeting of creditors held on 27 May 2010 and as noted above at 7 1 the expenses of the prior Administration take precedent due to the statutory charge.
- 8.2 Remuneration of £20,000 in relation to the former Administration has been paid to date. Details of payments are shown on the receipts and payments account at Appendix 2

- 8.3 The time costs charged in the period from 22 March 2011 to 21 September 2011 by the Joint Administrators and their staff are as analysed at Appendix 3. The balance of funds held will be drawn as remuneration and any additional time costs incurred, together with any time costs already incurred, will be written off.
- 8.4 Information regarding the fees of Administrators called a "Creditors' Guide to Administrators' fees" in accordance with Statement of Insolvency Practice 9 can be found on the MCR website at www.mcr.uk.com. Should you require a copy, please contact this office.
- 8.5 The Joint Administrators have incurred the following expenses in the period of this report in dealing with the Administration of the Company;

Company	Role	Amount Incurred £
Kennedys LLP	Providing legal advice in respect of the preference action brought against the director of the Company	1,250
Courts Advertising Ltd	Statutory advertising services	76
Accurate Mailing Services Ltd	Printing and postage of circulars and reports to all known members and creditors of the Company	655
Total Data Management Ltd	Archiving and storage facilities	20
Royal Bank of Scotland plc	Bank charges and BACS payment fees	2

- 8.6 The Joint Administrators' choice of Agents and Solicitors instructed was based on their perception of the ability and experience to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Administrators' fee arrangement with them.
- 8.7 In accordance with Rule 2.48A of the Rules, secured creditors and non-preferential unsecured creditors (with the concurrence of at least 5% in value of the total unsecured claims) may make a request in writing to the Joint Administrators for further information about the remuneration or expenses as set out in this progress report. This should be done within 21 days of this report.
- 8.8 Any secured creditor, or any non-preferential unsecured creditor (with the support of at least 10% in value of the unsecured creditors) or the permission of the court, may apply to the court on the grounds that the remuneration or basis fixed for the Joint Administrators' remuneration or the expenses incurred by the Joint Administrators are considered to be excessive. This application must be made no later than 8 weeks after receipt of the progress report, where the charging of the remuneration or the incurring of expenses in question occurs.
- 8.9 In addition to the expenses incurred as set out in Section 8.5 of this report, and in accordance with the explanation set out in Section 7.1 of this report, the receipts and payments account at Appendix 2 includes legal expenses incurred during the previous Administration and paid during the period of this report.

9. EC REGULATION

- 9.1 It is the Joint Administrators' opinion that the EC Regulation on Insolvency Proceedings 2000 ("EC Regulation") apply and these proceedings are main proceedings as defined in Article 3 of the EC Regulation. The centre of main interest of the Company is in England.

10. CONCLUSION AND ENDING THE ADMINISTRATION

- 10.1 The Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the creditors' consent.
- 10.2 As the Company has no property with which to make distribution to its non-preferential unsecured creditors and following the final distribution to preferential creditors, a Notice to move from Administration to Dissolution – Form 2.35B ("the Notice") will be submitted to the Registrar of Companies pursuant to Paragraph 84 of Schedule B1 to the Act once any remaining expenses have been met and tax clearance obtained from HM Revenue & Customs.
- 10.3 Following registration of the Notice by the Registrar of Companies, the Joint Administrators' appointment will cease to have effect, and they will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Act.
- 10.4 At the end of three months beginning with the date of the Notice being registered by the Registrar of Companies the Company will be dissolved.

11. NEXT REPORT

- 11.1 The Joint Administrators are required to provide a Progress Report within one month of the end of the next six months of the Administration. It is anticipated that matters will be finalised in the next 1-2 months and a final report will be sent at this time. This report will be provided no later than 21 April 2012.
- 11.2 If you have any queries or require any further assistance, please do not hesitate to contact Robert Mitchell of the Joint Administrators' office.

For and on behalf of
CCG Logistics (UK) Limited



Matthew Peter Bond
Joint Administrator

Encs

The affairs, business and property of the Company are being managed by the Joint Administrators, Matt Bond and Andrew Stoneman, who act as agents for the Company and without personal liability. They are both licensed by the Insolvency Practitioners Association.



CORPORATE
RESTRUCTURING

APPENDIX 1
Statutory Information



STATUTORY INFORMATION

Date of Incorporation	14 June 2006	
Registered Number	05846379	
Company Director	Jamie Smithers 3 Clifford Grove Ashford Middlesex TW15 2JS	
Shareholders	Christian Helms	
Trading Address	Unit 9 Haslemere Heathrow Est Silver Jubilee Way Hounslow Middlesex	
Registered Office	Current C/o 43-45 Portman Square London W1H 6LY	Formerly Unit 9 Haslemere Heathrow Silver Jubilee Way Hounslow Middlesex



CORPORATE
RESTRUCTURING

Financial Information

	Period Ended 31 December 2009 (Draft) £	Period Ended 31 December 2008 (Audited) £	Period Ended 31 December 2007 (Audited) £
Turnover	30,640,449	34,226,554	7,472,566
Cost of sales	<u>(30,030,795)</u>	<u>(32,692,757)</u>	<u>(7,149,197)</u>
Gross Profit	609,654	1,533,797	323,369
Administrative expenses	(1,725,916)	(1,384,743)	(691,786)
Operating (loss)/profit	(1,116,262)	149,054	(368,417)
Other provisions	<u>(105,399)</u>	<u>-</u>	<u>-</u>
	(1,221,661)	149,054	(368,417)
Interest receivable	13,036	9,525	4,568
Interest payable and similar charges	(119,980)	(206,682)	(27,060)
Loss on ordinary activities before taxation	<u>(1,328,605)</u>	<u>(48,103)</u>	<u>(390,909)</u>
Tax on loss on ordinary activities	(76,409)	(61,288)	(14,103)
(Loss)/profit for the financial year	<u><u>(1,405,014)</u></u>	<u><u>13,185</u></u>	<u><u>(376,806)</u></u>

Note This information was provided in the previous Administration

APPENDIX 2

Joint Administrators' Receipts and Payments Account



CCG Logistics (UK) Limited
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 22/03/2011 To 21/09/2011
ASSET REALISATIONS	
Transfer from previous Administration	83,262 16
Bank interest	7 41
Book debt surplus from CACF	<u>3,821 01</u>
	87,090 58
COST OF REALISATIONS	
Joint Administrators' remuneration	20,000.00
Joint Administrators' disbursements	1 00
Legal fees	21,749.97
Legal disbursements	4,480 48
Corporation Tax charges	275 00
Stationery & postage	655 33
Storage costs	19 95
Statutory advertising	75 60
Bank charges	<u>1 85</u>
	(47,259.18)
PREFERENTIAL CREDITORS	
Preferential dividend	<u>4,648 97</u>
	(4,648 97)
	<u><u>35,182.43</u></u>
REPRESENTED BY	
VAT receivable	9,141 82
Floating/main current account	26,040.61
	<u><u>35,182.43</u></u>

Note The director was not required to supply a Statement of Affairs in this Administration Please refer to section 6 2 of the report.

APPENDIX 3

Analysis of Joint Administrators' Time Charged and Expenses Incurred



CCG LOGISTICS (UK) LIMITED - IN ADMINISTRATION

Analysis of Joint Administrators' time costs for the period 22 March 2011 to 21 September 2011

Classification of Work Function	Hours					Total Hours	Time Cost £	Av hourly Rate £
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review and Case Diary management	1 00	3 30	0 50	9 70		14 50	3,513 50	242 31
Cashiering & accounting	0 80	1 60	3 10	7 60	0 20	13 30	3,046 00	229 02
Dealings with Directors and Management			0 40	7 30		7 70	1,685 50	218 90
IPS set up & maintenance		0 30	1 30	0 60		2 20	581 00	264 09
Statutory matters (Meetings, Reports and Notices)	1 80	14 20	12 60	26 70		55 30	14,001 00	253 18
Strategy planning & control	4 50	22 70	10 90	4 60		42 70	16,457 00	385 41
Tax Compliance/Planning	0 20			2 20		2 40	403 50	168 13
Investigations								
CDDA, reports & Communication	0 30		0 50	1 80		2 60	643 00	247 31
Financial review and investigations (S238/239 etc)	0 20			2 30		2 50	362 00	144 80
Realisation of Assets								
Other Intangible Assets		1 00				1 00	435 00	435 00
Creditors								
Communications with Creditors/Employees	1 30	0 20		2 50		4 00	1,333 00	333 25
Non Pref Creditor claims adjudication and dist'n			0 90			0 90	261 00	290 00
Non Pref Creditors/Employee claims handling			7 30	2 80		10 10	2,488 00	246 34
Pref claims adjudication and distribution	0 20	2 10	0 40	21 40		24 10	4,889 00	202 86
Secured Creditors		0 60				0 60	261 00	435 00
Total Hours	10 30	46 00	37 90	89 50	0 20	183 90		273 84
Total Fees Claimed (£)	5,613 50	19,920 00	10,931 00	13,889 00	6 00		50,359 50	

Category 2 Disbursements:

There are no category 2 disbursements for this case to date