

The Insolvency Act 1986

Administrator's progress report**2.24B**

Name of Company CCG Logistics (UK) Limited	Company number 5846379
In the High Court of Justice Chancery Division Companies Court London (full name of court)	For court use only 2479 of 2010

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

We Matthew Peter Bond and Andrew Gordon Stoneman of MCR, 43-45 Portman Square, London, W1H 6LY Joint Administrators of the above company, attach a progress report for the period

From

To

(b) Insert date

(b) 22 March 2010

(b) 21 September 2010

Signed

Joint Administrator

Dated

14/10/10

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

MCR
43-45 Portman Square
London
W1H 6LY

Tel 020 7487 7240

have completed and signed this form please send it to the Registrar of Companies at
as House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff



A15 15/10/2010 389
COMPANIES HOUSE

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

**Joint Administrators' Progress Report to Creditors
for the period from 22 March 2010 to 21 September 2010
pursuant to Rule 2.47(1) of the Insolvency Rules 1986 (as amended)**

14 October 2010

Names of Joint Administrators: Matthew Peter Bond
Andrew Gordon Stoneman

Date of appointment: 22 March 2010

Date of report: 14 October 2010

Appointed by: Eurofactor (UK) Limited
Bellerive House
3 Muirfield Crescent
Docklands
London
E14 9S

Court reference: 2479 of 2010
High Court of Justice
Chancery Division
Companies Court
London

MCR
43-45 Portman Square
London
W1H 6LY

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DEFINITIONS

CCG Logistics (UK) Limited (In Administration) (Company Number 05846379)	the Company
Matthew Peter Bond and Andrew Gordon Stoneman of MCR, 43-45 Portman Square, London, W1H 6LY	the Joint Administrators
22 March 2010, being the date of appointment of the Joint Administrators	the Appointment Date
Jamie Smithers, the sole director of the Company	the Director
Barclays Bank plc, with whom the Company banked	Barclays
Eurofactor (UK) Limited, with whom the Company had an invoice finance facility, and the holder of a fixed and floating charge over the Company's assets	Eurofactor
Hilco Appraisal Europe Ltd, who were instructed to value and sell the assets of the Company	Hilco
Statement of Affairs, documentation to be supplied by the Director outlining the Company's financial position as at the Appointment Date	SOA
EC Regulation on Insolvency Proceedings 2000	EC Regulation
The Joint Administrators' firm's internal costs and expenses in dealing with the Administration	Category 2 Disbursements
The Insolvency Act 1986 (as amended)	the Act
The Insolvency Rules 1986 (as amended)	the Rules
Creditors Voluntary Liquidation	CVL
HM Revenue and Customs, and	HMRC
Statement of Insolvency Practice – Insolvency Practitioners best practice directive as to presenting information on fees	SIP 9

1. INTRODUCTION

- 1 1 The Company's Joint Administrators were appointed on 22 March 2010 by Eurofactor, the holder of a Qualifying Floating Charge under paragraph 14 of Schedule B1 to the Act
- 1 2 In accordance with Paragraph 100(2) of Schedule B1 to the Act, the functions of the Joint Administrators are being exercised jointly and severally
- 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 Rules for the six month period to 21 September 2010
- 1 4 For information relating to the Company's background and events leading up to the appointment of the Joint Administrators, please refer to the Joint Administrators' previous report to creditors dated 11 May 2010

2.1 JOINT ADMINISTRATORS' REPORT AND STATEMENT OF PROPOSALS

- 2 1 The Joint Administrators issued their Report to Creditors together with their Statement of Proposals on 11 May 2010
- 2 2 In accordance with Paragraph 51 of Schedule B1 to the Act, a creditors' meeting was held on 27 May 2010 in order to vote on the Joint Administrators' proposals outlined in the previous report dated 11 May 2010
- 2 3 As advised in the Proposals, 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 The Joint Administrators were unable to achieve the first objective as the Company's liabilities were too great and no third party was interested in purchasing the shares of the Company as a result
- 2 5 The Joint Administrators are therefore performing their functions with the purpose of achieving the second of the above objectives. The Joint Administrators' proposals for achieving the purpose of the Administration are set out in the remainder of this report

3. PROGRESS OF THE ADMINISTRATION

- 3 1 The manner in which the affairs and business of the Company have been managed since the Appointment Date and the manner in which they will continue to be managed and financed is set out below

Sale of business

- 3 2 As previously advised, the Joint Administrators met with key management to consider the possibility of continuing to trade and achieving a sale of the business as a going concern upon their appointment. However, given the Company's cash flow difficulties and loss of customers, the possibility of achieving a sale of the business as a going concern was severely reduced.
- 3 3 The Joint Administrators were unable to commit to trading the business whilst a sale was pursued, especially in the view of the arrears of wages and significant duty costs that would have needed to be paid. Accordingly, the trading operations of the Company ceased on 23 March 2010.

Sale of assets

- 3 4 As previously advised, the Company's plant and machinery was sold on 23 March 2010 for £7,000 plus VAT and the sale of the Company's IT and office equipment was completed on 26 March 2010 for £3,150 plus VAT.
- 3 5 The above sales were in excess of the valuations received and were agreed following recommendation by Hilco.

Book debts

- 3 6 At the Appointment Date, the Company's debtor ledger totalled £1,985,713.
- 3 7 The Company's book debts were subject to an invoice discounting arrangement with Eurofactor. At the Appointment Date the amount owing to Eurofactor under the invoice discounting facility was £855,849, subject to accruing interest and charges. To date book debt collections total £1,000,019.80.
- 3 8 The Joint Administrators anticipate that there will be insufficient book debt collections to allow a surplus to be passed to the Joint Administrators, after fees and charges have been applied.

Cash at Bank

- 3 9 At the Appointment Date the Company's bank account was in credit by £12,877. The Joint Administrators requested the transfer of these funds and they were deposited into the Administration Estate on 12 May 2010.

Duty Deferment Bond & Community Transit Guarantee

- 3 10 Due to the nature of the Company's business the Company was required to hold a Duty Deferment Bond and a Community Transit Guarantee of £100,000 and £25,000, respectively.
- 3 11 On 2 June 2010 the £100,000 Duty Deferment Bond was released to the Administration Estate by Barclays.
- 3 12 The quantum and timing of the release of the Community Transit Guarantee is yet to be confirmed with Barclays.

Pre-Appointment VAT Refund

- 3 13 The Joint Administrators are currently investigating whether a further VAT refund is due for the pre-appointment period, 1 March 2010 to 21 March 2010

Rates Refund

- 3 14 The Joint Administrators identified a rates refund due to the Company in relation to the occupation of the Company's premises and subsequently £18,627 58 was refunded by Hounslow Borough Council on 27 August 2010

Transit Duties

- 3 15 Following their appointment, the Joint Administrators received refunds from HMRC in relation to duties paid by the Company to HMRC. These refunds arose where HMRC had demanded a higher rate than necessary for the goods imported and subsequently the rate was adjusted once the goods were verified
- 3 16 Following investigations, the Joint Administrators established that all duty refunds received were originally paid by the customer directly and therefore the refunds received from HMRC were due to the customer and distributed accordingly

Customer	Duty Refunded (£)
FerryFast Produce Limited	493
Munoz-Mehadrin (UK) Limited	18,976
Dole fruit care Services (PTY) Limited	46,755
	<hr/> <u>66,244</u>

Receipts and Payments

- 3 17 A detailed Receipts and Payments account for the period is attached at Appendix 2 and should be self explanatory.

4. INVESTIGATIONS

- 4 1 The Joint Administrators have complied with their obligations under the Company Directors Disqualification Act 1986 The Directors' conduct report was submitted to the Insolvency Practitioners Compliance Unit on 17 September 2010 The contents of this report are confidential
- 4 2 Should any creditor have information that they consider should be taken into account by the Joint Administrators when considering the management and conduct of the Company's affairs then the Joint Administrators would ask that you put such information to them in writing

5. DIVIDEND PROSPECTS / PRESCRIBED PART

Secured Creditors

Eurofactor

- 5 1 In consideration for the monies advanced under an invoice discounting agreement the Company granted Eurofactor a debenture dated 29 August 2007, which confers fixed and floating charges over all of the assets of the Company
- 5 2 As previously stated the Company's indebtedness to Eurofactor was £855,849 at the Appointment Date, subject to accrued interest and charges
- 5 3 It is anticipated that there will be insufficient realisations to repay Eurofactor in full, after the application of interest and charges

Barclays

- 5.4 Barclays were granted a deed of charge against cash deposits on 29 August 2007 in consideration for monies advanced pursuant to the Company's banking facilities
- 5 5 At the Appointment Date the Company's account with Barclays was in credit and accordingly there will not be any call upon this security

Preferential Creditors

- 5 6 The preferential creditors' claims consist of employee claims for arrears of pay and holiday pay, the majority of which are likely to be subrogated to the Department of Business Innovation and Skills, following payment by the Redundancy Payments Office
- 5 7 The Joint Administrators have received preferential claims totalling £19,724
- 5 8 It is likely that there will be sufficient funds available to enable a distribution to be made to preferential creditors. The timing and quantum of such distribution remains uncertain due to residual asset realisations

Prescribed Part

- 5 9 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 shall be made available to non-preferential unsecured creditors
- 5 10 The Prescribed Part is calculated as a percentage of net property, as follows

Net property less than £10,000	50%, unless the costs of distribution are greater than the benefit, or
Net property greater than £10,000	50% up to £10,000 plus 20% thereafter to a maximum of £600,000

- 5 11 In this case the Prescribed Part provision applies as Eurofactor's charge was created after 15 September 2003
- 5 12 Any distribution to non-preferential unsecured creditors from the Prescribed Part is dependant on the return of the Community Transit Guarantee

Non-Preferential Unsecured Creditors

- 5 13 According to the Company's books and records, non-preferential unsecured creditors total £1,033,025 at the Appointment Date. The Joint Administrators have to date received claims totalling £3,380,096
- 5.14 The Joint Administrators are currently looking into the significant claims difference between the claims received and the Company's books and records
- 5 15 Based on the available information, it is possible that there may be sufficient realisations to enable a distribution to the non-preferential unsecured creditors of the Company by way of the Prescribed Part This will be dependant on the release of the Community Transit Guarantee

6. JOINT ADMINISTRATORS' REMUNERATION

- 6 1 The Joint Administrators' time costs for the period total £109,705 A schedule of these time costs is set out in Appendix 3
- 6 2 To date, the Joint Administrators have drawn remuneration totalling £50,000 plus VAT The basis of the Joint Administrators fees was approved on a time cost basis by the creditors at a meeting on 27 May 2010 The Joint Administrators estimate that a further £25,000 of time costs will be incurred resolving outstanding matters and closing the Administration, depending on the work necessary to agree claims
- 6 3 Information regarding the fees of Administrators called "A Creditors' guide to Administrators' fees" and in accordance with SIP 9, can be found on MCR's website at www.mcr.uk.com Should you require a copy, please contact the Joint Administrators' office


7. EC REGULATION

- 7 1 It is the Joint Administrators' opinion that the 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

8. OTHER MATTERS

If you require further information or assistance, please do not hesitate to contact Rebecca Broome.

For and on behalf of
CCG Logistics (UK) Limited


Matthew Bond
Joint Administrator

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

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	Formerly
	C/o 43-45 Portman Square London W1H 6LY	Unit 9 Haslemere Heathrow Estate 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>



APPENDIX 2

Joint Administrators' Receipts & Payments Account



CORPORATE
RESTRUCTURING

CCG Logistics (UK) Limited (In Administration)
Joint Administrators' Receipts and Payments Account
for the period 22 March 2010 to 21 September 2010

Statement of Affairs	22 March 2010 to 21 September 2010 £
FIXED ASSET REALISATIONS	0
	0
COST OF REALISATIONS - FIXED	0
	0
FLOATING ASSET REALISATIONS	
Plant & Machinery	7,000 00
Furniture & Equipment	3 150 00
Sundry Refunds	2 289 76
Cash at Bank	12,777 51
HMRC Duty Refund	66,225 68
Insurance Refund	6,986 15
Duty Deferment Bond Release	100,000 00
Business Rates Refund	18 627 58
Bank Interest Gross	15 63
	217,072 31
COST OF REALISATIONS - FLOATING	
IT Consultancy Fees	746 90
Stationary & Postage	746 11
Storage Costs	3,397 68
Statutory Advertising	151 20
Rents Payable	2,398 24
Rates	1 242 40
HMRC Duty Deferment - Refund to customers	66,224 91
Joint Administrators' Remuneration	50,000 00
Joint Administrators' Disbursements	1 197 70
Agent/valuers Fees	4,995 65
Legal Fees	300 00
Insurance of Assets	280 54
Bank Charges	11 00
Payroll Assistance	450 00
	132,142 33
BALANCE OF THE ESTATE REPRESENTED BY	84,929 98
VAT Receivable	3,534 78
Floating/Main Current Account	81,395 20
	84,929 98

NOTES

- 1 A Statement of Affairs is yet to be received
- 2 Book debts are not an asset of the Company and are therefore not reflected on the R&P

APPENDIX 3

Schedule of Joint Administrators' Time Costs

CCG LOGISTICS (UK) LIMITED (IN ADMINISTRATION)

Analysis of the Joint Administrators' time costs for the period 22 March 2010 to 21 September 2010.

Classification of Work Function	Hours					Total Hours	Time Cost £	Av hourly Rate £
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Strategy planning & control	11 50	16 20	23 60	145 10		196 40	32,267 50	164 29
Statutory matters (Meetings, Reports and Notices)	2 60	4 90	16 60	1 10		25 20	7,564 00	300 16
Cashiering & accounting	0 80	1 20	4 00	14 70		20 70	3,441 00	166 23
Case review and Case Diary management	0 60	1 70		19 00		21 30	2,800 50	131 48
Dealings with Directors and Management		1 20	6 10	1 70		9 00	2,251 00	250 11
Tax Compliance/Planning		0 40				0 40	142 00	355 00
Statement of affairs				0 40		0 40	40 00	100 00
Insurance				0 30		0 30	30 00	100 00
Investigations								
Financial review and investigations (S238/239 etc)	0 40	1 20	12 80	72 30		86 70	11,246 00	129 71
CDDA, reports & Communication	0 40	2 40	5 40	8 90		17 10	3,371 00	197 13
Realisation of Assets								
Book debts	2 50	13 00	36 90	8 10		60 50	16,441 00	271 75
Freehold and Leasehold Property	0 50	0 40	7 20	2 00		10 10	2,497 50	247 28
Other Tangible Assets		0 20	8 20			8 40	2,244 00	267 14
Hire Purchase and Lease Assets		0 10		11 40		11 50	1,175 50	102 22
Sale of business		0 10	1 20	4 00		5 30	753 50	142 17
Pre-Appointment Tax Reclaims	0 20		0 60	3 30		4 10	588 00	143 41
Other Intangible Assets		0 60	0 90			1 50	451 50	301 00
Plant, Machinery, Fixtures and Motor Vehicles		0 20	0 50			0 70	203 50	290 71
Trading								
Trading Operations	0 90	1 10	4 10			6 10	1,922 50	315 16
Trading - Employees		0 30	5 90			6 20	1,670 00	269 35
Trading - Accounting		0 10				0 10	35 50	355 00
Creditors								
Secured Creditors	12 30	5 80	4 50	0 20		22 80	9,360 00	410 53
Non Pref Creditors/Employee claims handling	4 40			36 20		40 60	5,798 00	142 81
Communications with Creditors/Employees	4 00	0 90	0 70	2 40		8 00	2,725 00	340 63
Non Pref Creditor claims adjudication and dist'n		0 20		4 30		4 50	501 00	111 33
Pref claims adjudication and distribution		0 10				0 10	35 50	355 00
Case Specific Matters	0 10			1 00		1 10	149 50	135 91
Total Hours	41 20	52 30	139 20	336 40	0 00	569 10		192 77
Total Fees Claimed (£)	20,394 00	18,574 50	36,834 00	33,902 00	0 00		109,704 50	

Category 2 Disbursements:

There are no category 2 disbursements for this case to date

APPENDIX 4
Proof of Debt Form



CORPORATE
RESTRUCTURING

Proof of Debt – General Form

CCG Logistics (UK) Limited (In Administration)		
Date of administration 22/03/2010		
1	Name of creditor (If a company please also give company registration number)	
2	Address of creditor for correspondence	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration	
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting)	
5	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates	
9	Signature of creditor or person authorised to act on his behalf _____	
	Name in BLOCK LETTERS _____	
	Position with or in relation to creditor _____ Address of person signing (if different from 2 above) _____	
For Administrators' Use only		
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Administrator		Administrator