

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company
LG01 Limited

Company number
04119660

In the High Court of Justice, Chancery Division, Leeds District Registry (full name of court)

Court case number
2649 of 2009

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

I/We (a) Philip Booth
Of PR Booth & Co
Suite 7, Milner House
Milner Way
Ossett
WF5 9JE

administrator of the above company attach a progress report for the period

(b) Insert date

From
(b) 05 April 2010

To
(b) 04 October 2010

Signed


Administrator

Dated

05 11 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 searchers of the

DX Number	«GENERAL_TEL1» DX Exchange
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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



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11/11/2010

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COMPANIES HOUSE

THURSDAY

LG01 LIMITED – IN ADMINISTRATION ("THE COMPANY")

ADMINISTRATOR'S PROGRESS REPORT PURSUANT TO RULE 2.47 OF THE INSOLVENCY RULES 1986

1. Details of Appointment

- 1.1 Date of appointment 5 October 2009
- 1.2 Court Reference High Court of Justice, Chancery Division
Leeds District Registry
No 2649/2009
- 1.3 Administrator: Philip Booth
PR Booth & Co
Suite 7
Milner House
Milner way
Ossett
WF5 9JE
- 1.4 Authorising Body. Philip Booth is authorised by the Insolvency Practitioners Association
- 1.5 Appointed by: The appointment was made on the application of the Company's director pursuant to Paragraph 22(2) of Schedule B1 of the Insolvency Act 1986 ('IA86')
- 1.6 Director: Hugh David Edmund Roberts
- 1.7 Registered office Suite 7, Milner House, Milner Way, Ossett, WF5 9JE
- 1.8 I can confirm that the EC Regulations on Insolvency Proceedings applies to this report and that the proceedings are main proceedings as defined in Article 3 (1) of the EC Regulations

2 Summary of Administrator's Proposals

- 2.1 This report should be read in conjunction with my previous correspondence
- 2.2 My proposals issued on 27 November 2009 were as follows:-
- *I will continue to manage the business, affairs and property of the Company with a view to achieving the purposes set out in the Administration Order and do all other such things and generally exercise all of my powers as Administrator as I consider desirable or expedient at my discretion in order to achieve the purpose of the Administration, to protect and preserve the assets of the Company, to maximise the realisations of those assets or for any other purpose incidental to these proposals.*
 - *I will continue to collect the outstanding book debts and overdrawn directors' loan account balances with the assistance of debt collection agents if appropriate.*

LG01 LIMITED – IN ADMINISTRATION ("THE COMPANY")

- I will realise any other assets that may come to my attention during the course of the Administration.*
- I be permitted to charge fees on a time cost basis and be authorised to draw fees on account. I be authorised to charge disbursements to the case which include elements of shared or allocated costs ('Category 2' disbursements), such disbursements to be charged from time to time.*
- I be permitted to appoint and retain agents and solicitors of our choice*
- Once the purposes of the Administration have been achieved, the Company be dissolved pursuant to Paragraph 84 of Schedule B1 IA86 and that I be discharged from liability in accordance with Paragraph 98 of Schedule B1 IA86.*

- 2.3 To allow me to complete the purposes of the administration, I have with consent of the secured creditor, HSBC Bank Plc, extended the period of the administration by six months.

3 Conduct of the Administration – Asset Realisations

- 3.1 I attach a copy of the up to date receipts and payments account.

- 3.2 Since my appointment, I have received in full the sum of £5,000 from the purchaser of the business and assets, What 2 Do When Limited, as follows:

Asset	£
Customer Information	500
IT Equipment	500
Goodwill	500
Intellectual Property	3,500
	<u>5,000</u>

- 3.2 Following a review of the Company's records, I have requested settlement of the Directors loan accounts. Both Directors concerned provided statements of means, in one case demonstrating that he had no available surplus income to enable an offer of re-payment. The other was able to put forward an offer in settlement of his loan account and having taken account of his financial circumstances, I have negotiated an offer of £4,000 in full and final settlement. To date I have received the sum of £2,000 with four further payments of £500 due between 1 November 2010 and 1 February 2011.
- 3.3 The Directors of the associated company, LG Education Data Systems Limited ("LG EDS"), have advised that they intend to wind the business up. LG EDS has not been trading for some time and is not able to settle the outstanding balance due to the Company. The Directors have confirmed that they will keep me apprised of their progress with LG EDS.

4 Conduct of the Administration – Payments

- 4.1 Where it has been necessary to instruct professionals such as solicitors, agents and accountants, they have been chosen based upon their independence and relevant experience in dealing with such matters. The professional costs are based upon an agreed time cost basis (or a % of realisations in the case of agents), details of which are provided

LG01 LIMITED – IN ADMINISTRATION (“THE COMPANY”)

to me periodically for review and which are consistent with other professional firms dealing with similar matters

- 4.2 To date, there have been no payments made out of the Administration

5 Administrator’s Remuneration

- 5.1 My firm’s total time costs to 30 September 2010 are £10,613.50 representing 71.10 hours at an average hourly rate of £149.28

- 5.2 Attached is a detailed summary of my firm’s time costs for your information

- 5.3 In accordance with Rule 2.106(9) of the Insolvency Rules 1986, I have sought the agreement of all professional costs including Administrator’s Fees and Disbursements (see below) by the (undischarged) fixed and floating charge holder, HSBC Bank Plc

6 Secured Creditors

- 6.1 At the date of my appointment, there was one secured creditor who had the benefit of a fixed and floating charge over the Company’s assets.

- 6.2 I have received a proof of debt from HSBC Bank Plc in the amount of £19,322.42 in respect of the Company’s overdraft facility and a small firm’s guarantee loan.

- 6.3 To date, I have distributed the sum of £2,500 to the Bank under its fixed charge. On present information I consider it is unlikely that there will be sufficient funds to enable the repayment in full of the remaining balance

7 Preferential and Unsecured Creditors

- 7.1 It was anticipated in the Director’s statement of affairs that there would be no preferential creditors in the Administration. Whilst it has been suggested that one employee who left the Company prior to my appointment had not been paid his final month’s salary, I have not yet received his completed claim forms. I estimate that should his claim be forthcoming, preferential claims may be in the region of £800 to £1,200.

- 7.2 On the basis of current information, there will be insufficient funds to enable a dividend to be paid to preferential or unsecured creditors.

8 Administrator’s Disbursements

- 8.1 Category 1 disbursements (a simple reimbursement of actual payments made on behalf of the assignment which do not require creditor approval) currently outstanding are as follows:-

	£
Company Search	10.00
Insolvency Bond	120.00
Statutory Advertising	86.94
	<hr/>
	216.94

LG01 LIMITED – IN ADMINISTRATION ("THE COMPANY")

- 8.2 Category 2 disbursements (charges including an element of shared or allocated costs which require creditor approval) currently outstanding are as follows:-

	£
Faxes/Photocopying/Postage	139.20
	<hr/>
	139.20

- 8.3 In accordance with best practice guidelines as set out in Statement of Insolvency Practice 9 (as amended in December 2002) I require creditors' approval for my Category 2 disbursements to be charged as an expense of the Administration

- 8.4 As mentioned earlier, as creditors have accepted and agreed our Statement of Proposals and did not request a creditors' meeting, I can therefore confirm that creditors have approved my Category 2 disbursements.

9 Future Conduct of the Administration

- 9.1 I will continue to collect in the remaining contributions from the Directors with regard to their directors' loan accounts

- 9.2 It is proposed that once the purposes of the Administration have been achieved the Company will be dissolved pursuant to Paragraph 84 of Schedule B1 of the Insolvency Act 1986.

10 General

- 10.1 Should you require any further information please contact my colleague Neil Marshall in the first instance

Dated. 05 November 2010

Signed: 
Philip Booth
Administrator

Appendix A – Statutory Information

Court Details:	High Court of Justice, Chancery Division, Leeds District Registry No. 2649 of 2009		
Company Number:	04119660		
Trading name and address:	Innovation Centre Innovation Way York Science Park Heslington York YO10 5DG		
Registered office:	c/o PR Booth & Co Suite 7, Milner House Milner Way Ossett West Yorkshire WF5 9JE Formerly: Innovation Centre Innovation Way York Science Park Heslington York YO10 5DG		
Directors:	Mr H D E Roberts		
Secretary:	None		
Shareholders:		Shares Held	
	Mr H D E Roberts	62,500	Ordinary
	Mr A C Ward	62,500	Ordinary
Accountants:	Clough Tomblin & Co		
Bankers/Financiers:	HSBC Bank PLC		

**Appendix B – Administrator's Abstract of Receipts & Payments
to 04 October 2010**

LG01 Limited
(In Administration)

Administrator's Abstract Of Receipts And Payments
To 04/10/2010

Est. to Realise per Statement of Affairs		05/04/2010 to 04/10/10	05/04/09 to 04/10/2010
	RECEIPTS		£
3,500	Intellectual property		3,500.00
500	Goodwill		500.00
500	Computer equipment		500 00
500	Customer Information		500.00
Uncertain	Directors Loans	2,000.00	2,000.00
	Interest received (gross)	1 46	2.52
<u>5,000</u>		<u>2,001.46</u>	<u>7,002 52</u>
	PAYMENTS		
19,322	Distribution to Fixed Charge Holder	2,500 00	2,500.00
		<u>2,500.00</u>	<u>2,500.00</u>
	BALANCE IN HAND		<u><u>4,502.52</u></u>

Appendix C – Administrator's Time Costs as at 30 September 2010

LG01 Limited Limited - In administration

Summary of administrator's Time Costs to 30 September 2010

05 October 2009 to 30 September 2010

Classification of Work	Insolvency Practitioner	Senior Manager	Manager	Senior Administrator	Administrator	Support	Total Hours	Time Cost £	Average Rate/hr £
Hourly Rate (£/hr)	185 00	150 00	100 00	75 00	50 00	35 00			
From 20/07/09									
Brought forward costs									0 00
Administration, Planning & Statutory Matters	4 50	28 10			3 00		35 60	5,197 50	146 00
Investigations	0 70	3 50					4 20	654 50	155 83
Realisation of Assets	1 90	15 60					17 50	2,691 50	153 80
Creditors	0 00	13 80					13 80	2,070 00	150 00
Total Hours	7 10	61 00	0 00	0 00	3 00	0 00	71 10		
Time Costs (£)	1,313 50	9,150 00	0 00	0 00	150 00	0 00		10,613 50	149 28
Standard activity	Examples of work								
Administration and planning	Case planning Administrative set up Appointment notification Maintenance of records Statutory reporting Annual and internal reviews								
Investigations	SIP 2 review Investigating antecedent transactions Directors Conduct Report								
Realisation of assets	Identifying, securing, insuring assets Retention of title Debt collection Property, business and asset sales								
Creditors	Communication with creditors Creditors' claims (including employees' and other preferential creditors')								