

The Insolvency Act 1986

Administrator's progress report

Name of Company

APG Traffic Limited

Company number

04851252

In the
High Court of Justice, Chancery Division
(full name of court)Court case number
3506 of 2013(a) Insert full
name(s) and
address(es) of
administrator(s)

We (a)
Alexander Kinninmonth
Baker Tilly Business Services Limited
Highfield Court, Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TZ

David James Green
Baker Tilly Business Services Limited
Highfield Court, Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TZ

Joint Administrators of the above company attach a progress report for the period

From

To

(b) Insert date

(b) 21 May 2013

(b) 20 November 2013

Signed

Joint Administrator

Dated

16/12/13

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

Alexander Kinninmonth
Baker Tilly
Highfield Court, Tollgate
Chandlers Ford
Eastleigh
Hampshire, SO53 3TZ

DX Number southampton

+44 (0) 2380 646 464
DX Exchange

TUESDAY



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17/12/2013

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COMPANIES HOUSE

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Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

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(b) 21 May 2013

(b) 20 November 2013

Signed

Joint Administrator

Dated

16/12/13

**APG Traffic Limited
("the Company") – In Administration**

**Joint Administrators' First Progress Report
for the period from 21 May 2013
to 20 November 2013**

Issued on: 16 December 2013

Alexander Kinninmonth and David James Green of Baker Tilly Business Services Limited are the Joint Administrators of the Company and this is their report on the progress of the administration of the Company for the period from 21 May 2013 to 20 November 2013

Please note that RSM Tenon Limited has changed its name to Baker Tilly Business Services Limited having been acquired by Baker Tilly UK Holdings Limited. All future communications will be conducted under the Baker Tilly name

1 Statutory Information

Statutory information relating to the Company is attached at **Appendix I**

2 Joint Administrators' Receipts and Payments Account

A summary of the Joint Administrators' receipts and payments account relating to the Company for the relevant period from 21 May 2013 to 20 November 2013 is attached at **Appendix II**

3 Action Taken by the Joint Administrators since Appointment

I can confirm that the Joint Administrators' proposals for achieving the purpose of the administration were approved by creditors without modification on 26 June 2013

Sale of the Business as a Going Concern

As previously reported, the Joint Administrators completed a pre-pack sale of these assets to Event Support Southern Limited on 21 May 2013. Event Support Southern Limited is an associated company as Adrian Greene is the sole director and ultimate beneficial owner of the Company, and is the sole director and shareholder of the purchaser

The purchase price for those assets was apportioned on the following basis

Asset	£
Goodwill	9,998
Plant and Equipment	76,000
Motor Vehicle	82,000
Office Equipment	2,000
Contracts and Work in Progress	1
The benefit of Finance Contracts	1
Total	<u>170,000</u>

The consideration was apportioned between assets on the basis of the valuation provided by Edward Symmons LLP. Edward Symmons LLP considered the offers received, and confirmed that the offer from Event Support Southern Limited should be accepted

Under the terms of the sale, £75,000 was paid on completion. The remaining £95,000 was agreed to be paid in 10 monthly instalments. However, the purchaser has been required to pay a substantial security bond to HM Revenue & Customs and has so far been unable to make these contributions. The security bond has now been paid in full and it is anticipated that payments of the deferred consideration will commence on 21 December 2013

The director of the purchaser, Adrian Greene, has provided a personal guarantee to the Joint Administrators in respect of the deferred consideration

Book Debts

At the date of Administration, the Company had book debts in the sum of £217,087. The director was instructed to collect the Company's book debts and the sum of £91,637.14 has been realised to the end of this period.

The Joint Administrators have passed certain debts in the sum of £9,803.60 to independent debt collection agents Husband Collection Services Limited to pursue and further realisations of £4,796.00 have been made to date in this regard.

To the end of the period the sum of £96,433.14 has therefore been collected and the Joint Administrators continue to monitor the progress of the collection of the remaining book debts.

Intercompany Balances

The Company's 2012 accounts showed a balance of £440,758 due from connected companies. Of this amount £317,275 was due from 3 Borders Scaffolding Limited, and £123,483 was due from Farrington Commercials Limited. The Company is connected to both debtors by virtue of the common ownership of APG Holdings Limited and the common directorship of Adrian Greene.

Farrington Commercials was placed into liquidation on 23 September 2013 and no dividend is anticipated. This debt has therefore been written off.

3 Borders Scaffolding Limited was placed into administration on 29 November 2013 and Alexander Kinninmonth and David Green were appointed Joint Administrators. A dividend to creditors is anticipated, although the Company's most recent management accounts indicate that the balance due has reduced to £176,972. In order to ensure objectivity, the Company's claim in the administration of 3 Borders Scaffolding Limited will be agreed by the Company's accountant.

Cash at Bank

The Company's bank account at HSBC had a credit balance of £5,287.78 at appointment. In addition, book debts had been paid into the purchaser's bank account, and the balance of £2,041.73 was held in this regard. A total of £7,329.51 has therefore been realised in this regard.

Rates Refund

A refund of £1,650.91 has been received in respect of the Company's prepaid business rates.

Investigations

Administrators have a duty to submit confidential report or return to the government's Disqualification Unit on the conduct of those persons who acted as directors of the Company in the three year period before the Administration. This has been completed.

4 Future Actions of the Joint Administrators

It is anticipated that the Company will proceed to exit administration to Creditors Voluntary Liquidation in order to pay dividends to creditors.

The Joint Liquidators will be required to monitor the collection of the Company's book debts, ensure receipt of the deferred consideration and await the outcome of the administration of 3 Borders Scaffolding Limited.

5 Liabilities and Dividends

It is anticipated that an interim dividend will be paid to creditors once the Company has been placed into liquidation. It is then anticipated that a further dividend will be paid upon completion of the outstanding matters detailed in section 4.

6 Joint Administrators' Remuneration, Disbursements and Expenses

Basis of Remuneration and Disbursements

As a result of the agreement of the Joint Administrators' proposals, the Joint Administrators' proposals relating to their remuneration and disbursements were approved. This provided for the Joint Administrators to be remunerated with reference to time properly spent in dealing with matters in the administration and that disbursements would be drawn in accordance with the tariff outlined in **Appendix III**.

Remuneration Charged and Drawn in the Period

The Joint Administrators' time costs were charged (exc VAT) as follows

	Incurring	Paid
For the period from appointment on 21 May 2013 to 20 November 2013	£25,167 25	£19,071 62

In accordance with Statement of Insolvency Practice 9 attached at **Appendix III** is a breakdown of these time costs

Disbursements Incurred and Drawn

The Joint Administrators' disbursements incurred during the period of this report and those reimbursed in the period are summarised below. Details are in the attached **Appendix III**

	Incurring	Paid
Category 1 disbursements from 21 May 2013 to 20 November 2013	£61 82	£61 82
Category 2 disbursements from 21 May 2013 to 20 November 2013	£179 65	£134 20
Total	£241 47	£196 02

Expenses (Professional Advisors) Charged and Drawn in the Period

The following professional advisors have been instructed in this matter

Professional Advisor	Nature of Work	Fee Arrangement
Adrian Greene	Collection of the Company's book debts	10% on realisations
Husband Collection Services Limited	Collection of the Company's book debts	Admin fee of £500 plus 30% of realisations plus disbursements

The choice of professionals and the Joint Administrators' fee arrangement with them was based on perception of their experience and ability to perform this type of work, together with the complexity and nature of the assignment.

Details of the costs incurred and paid by the Joint Administrators in relation to administration expenses for the period are also attached at **Appendix III**

Pre-Administration Costs

Creditors also resolved on 26 June 2013 that the Joint Administrators be authorised to draw pre-administration costs of £33,835 59 plus VAT, including fees charged and expenses and disbursements incurred by them out of the assets of the Company as an expense of the administration, and to be drawn as and when funds permit. In addition to these costs further costs of £2 00 were incurred by the solicitors and £7 16 were incurred by the agents bringing the total pre-administration costs to £33,844 75 plus VAT. These costs have been paid in full.

Creditors' Guide to Fees and Statement of Creditors' Rights

Creditors have a right to request further information from the Joint Administrators and additionally have a right to challenge the Joint Administrators' remuneration and expenses. Time limits apply. Details can be found in the document 'A Creditor's Guide to Administrators' Fees' which can be accessed at the website of the Insolvency Practitioners' Association (www.insolvency-practitioners.org.uk > Regulation and Guidance > Creditors Guides to Fees), or the Institute of Chartered Accountants in England & Wales (www.icaew.com > Technical Resources > Insolvency > Creditors' Guides). Alternatively a copy is available free of charge upon request from the address above.

7 End of Administration

As outlined above it is the Joint Administrators' intention to exit the Administration into Creditors Voluntary Liquidation shortly.

It was resolved at a meeting of creditors that upon the Company either proceeding into Creditors Voluntary Liquidation or dissolution, the Joint Administrators' discharge from liability, pursuant to paragraph 98 of Schedule B1 shall take effect 14 days following either the Company entering into liquidation or filing the notice of moving from Administration to dissolution.



David Green
Baker Tilly Business Services Limited
Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants
The affairs, business and property of the company are being managed by the Joint Administrators who act as agents of the company and without personal liability*

Company Information

Company Name	APG Traffic Limited
Trading Name	Not Applicable
Previous Name	Not Applicable
Company Number	04851252
Date of Incorporation	30 July 2003
Trading Address	Farringdon Business Park, Lower Farringdon, Alton GU34 3DZ
Current Registered Office	Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TZ (Changed for the purpose of the insolvency)
Former Registered Office	4 High Street, Alton, Hampshire GU34 1BU
Principal Trading Activity	Traffic Management

Appointment details

Joint Administrators' name and address	Alexander Kinninmonth of Baker Tilly Business Services Limited, Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TZ
and	David James Green of Baker Tilly Business Services Limited, Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TZ
Date of appointment	21 May 2013
Court Name and Reference	High Court of Justice, Chancery Division 3506 of 2013
Appointment made by	Directors
Actions of Joint Administrators	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

RSM Tenon Limited has changed its name to Baker Tilly Business Services Limited having been acquired by Baker Tilly UK Holdings Limited All future communications will be conducted under the Baker Tilly name

Appendix II

Receipts and Payments account

NOTES TO THE JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

- 1 This account of receipts and payments should be read in conjunction with the report to creditors dated 16 December 2013
- 2 The Company is VAT registered and the figures shown are exclusive of VAT
- 3 Funds are held in an interest bearing account with Lloyds TSB Bank plc

APG Traffic Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 20/11/2013

S of A £		£	£
	HIRE PURCHASE		
43,250 00	Assets Subject to Finance	NIL	
(43,250 00)	Finance Companies	NIL	
			NIL
	ASSET REALISATIONS		
9,998 00	Goodwill and Intellectual Property	9,998 00	
76,000 00	Plant & Machinery	28,500 00	
2,000 00	Furniture & Equipment	2,000 00	
82,000 00	Unencumbered Motor Vehicles	34,500 00	
1 00	Contracts / Work In Progress	1 00	
1 00	Benefit of Finance Contracts	1 00	
151,961 00	Book Debts	96,433 14	
Uncertain	Intercompany Balances	NIL	
11,126 00	Cash at Bank	7,329 51	
	Bank Interest Gross	30 63	
	Rates Refund	1,650 91	
			180,444 19
	COST OF REALISATIONS		
	Specific Bond	320 00	
	Pre appointment fees	20,045 50	
	Pre appointment expenses	13,799 25	
	Office Holders Fees	19,071 62	
	Office Holders Expenses	196 02	
	Debt Collection Fees	10,874 24	
	Statutory Advertising	150 00	
	Tax Deducted at Source	5 92	
			(64,462 55)
	UNSECURED CREDITORS		
(64,004 00)	Trade & Expense Creditors	NIL	
(244,791 00)	HM Revenue & Customs	NIL	
			NIL
	DISTRIBUTIONS		
(1 00)	Ordinary Shareholders	NIL	
			NIL
24,291.00			115,981.64
	REPRESENTED BY		
	Vat Receivable		11,041 33
	Interest Bearing Current Account		104,940 31
			115,981.64

Appendix III

Information relating to the Joint Administrators' Fees and Expenses

1. Explanation of Administrators' charging and disbursement recovery policies

1.1 Time recording

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge-out rates are

	£
Partner and Director	350 – 435
Senior Manager, Manager and Supervisor	235 – 310
Other Senior Professionals	130 – 195
Administration Staff	105

1.2. Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements

External supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Baker Tilly Business Services Limited and then recharged to the estate, approval from creditors is not required.

Examples of category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, external room hire, storage, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case (including business mileage up to HMRC approved rate for cases commenced before 1 November 2011).

Category 2 disbursements

These include elements of shared or allocated costs incurred by Baker Tilly Business Services Limited and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance.

Category 2 disbursements charged by Baker Tilly Business Services Limited are as follows

Disbursement charge	Rate
Company searches (Tracker)	£10 per case
File set up	£7 per file
Photocopying, scanning and faxes	10p per side of paper
Mileage	45p per mile
Room hire (internal) - London	£150 per hour
Room hire (internal) - outside London	£100 per hour
Reports to creditors and members - posted	50p per report
Reports to creditors and members - published on line	25p per report

2. Description of work carried out

Section 3 of this appendix outlines the time costs to date in relation to activities undertaken during this period. These can be summarised as follows:

2.1. Pre-appointment

Details of the Joint Administrators' pre-administration costs are set out in the main body of the report.

2.2 Administration and planning

This includes the following activities which have been undertaken:

- > Statutory duties associated with the appointment including the filing of relevant notices,
- > Notification of the appointment to creditors, members, employees and other interested parties,
- > Reviewing available information to determine appropriate strategy,
- > Setting up and maintaining bank accounts,
- > Setting up case files,
- > Periodic progress review of the case,
- > Correspondence regarding security bond.

Staff of different levels were involved in the above activities depending upon the experience required.

2.3. Investigations

The time spent includes:

- > Corresponding with the former directors and management,
- > Review of questionnaires and comments provided by interested parties,
- > Review of company documentation,
- > Consultation with legal advisors,
- > Completion of statutory returns to the Insolvency Service.

Due to the complex nature and importance of the investigations, experienced members of staff were utilised to conduct the work involved.

2.4. Realisation of assets

Please refer to the main body of the report but in summary the time spent includes:

- > Liaising with agents and solicitors,
- > Correspondence with purchaser,
- > Assistance with transition of the business,
- > Monitoring and chasing of deferred consideration,
- > Correspondence with debt collectors,
- > Correspondence with debtors.

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake.

2.5 Creditors

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with employee related matters,
- > Recording creditor claims,
- > Reporting to creditors,
- > Correspondence with HM Revenue & Customs,
- > Meetings of creditors,
- > Dealing with creditor queries,
- > Reviewing and evaluating creditor claims

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake

3 Time and charge-out summary

For the period of this report from appointment on 21 May 2013 to 20 November 2013, a total of 109.65 hours have been spent at an average charge out rate of £229.52 bringing the total cost to £25,167.25

A summary table overleaf shows details of the time costs charged (exc VAT) in the current period

4 Disbursements

Disbursements shown separately in the receipts and payments account are self-explanatory. Those shown under 'Office Holders' Expenses' are detailed below

Disbursement	Incurred	Paid
<i>Category 1</i>		
Postage	£48.41	£48.41
Travel Costs	£5.41	£5.41
Report Hosting Website	£8.00	£8.00
Total	£61.82	£61.82
<i>Category 2</i>		
Mileage	£153.90	£108.45
Publishing Reports	£25.75	£25.75
Total	£179.65	£134.20

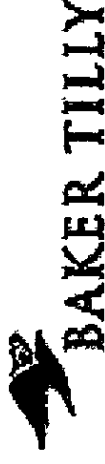
The above costs exclude VAT

SIP9 Summary

5528232 APG Traffic Limited

Corp Administration/Post Appt

21/05/2013 to 20/11/2013



Client Subcategory	Partners and Directors	Managers	Senior Associates	Assistant and Support Staff	Bank Fees	Charge	AssgRate
Administration and planning	4 00	3 20	26 80	3 55	37 55	8,399 75	223 70
Creditors	3 10	4 50	20 80	2 70	31 10	6,863 00	220 68
Investigations	0 20	4 00	10 00	0 00	14 20	3,052 00	214 93
Realisation of assets	6 20	1 50	19 10	0 00	26 80	6,852 50	255 69
Trading	0 00	0 00	0 00	0 00	0 00	0 00	NaN
Hours	13 50	13 20	76 70	6 25	109 65		
Charge	5,626 00	3,849 00	15,037 00	655 25		25,167 25	

5 Professional advisors and expenses

The Joint Administrators have incurred administration expenses in connection with the instruction of the following parties,

Name & Activity	Incurred	Paid
Adrian Greene		
- <i>debt collection</i>	<u>£8,935 44</u>	<u>£8,935 44</u>
Husband Collection Services Limited		
- <i>Debt collection</i>	<u>£1,938 80</u>	<u>£1,938 80</u>
Total	<u>£10,874.24</u>	<u>£10,874 24</u>

The above costs exclude VAT