

**Liquidator's Progress
Report****S.192****Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986**

To the Registrar of Companies

Company Number

07147030

Name of Company

ASG Distributions Limited

I / We
William Antony Batty
3 Field Court
Grays Inn
London
WC1R 5EF

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 29/04/2012 to 05/07/2012

Signed



Date

9.7.12

Antony Batty & Co
3 Field Court
Grays Inn
London
WC1R 5EF

Ref ASGLIQ/WAB/HJ/CH

TUESDAY



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10/07/2012

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COMPANIES HOUSE

ASG Distributions Limited
(In Liquidation)
Joint Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 29/04/2012 To 05/07/2012	From 29/04/2010 To 05/07/2012
	DISTRIBUTIONS		
(1 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(1.00)		NIL	NIL
	REPRESENTED BY		
			NIL

Note

ASG DISTRIBUTIONS LIMITED - IN LIQUIDATION

LIQUIDATOR'S FINAL REPORT

ANTONY BATTY & COMPANY LLP
3 FIELD COURT
GRAY'S INN
LONDON
WC1R 5EF

ASG DISTRIBUTIONS LIMITED - IN LIQUIDATION

This report is prepared in accordance to the provisions of the Insolvency Act 1986, which require the Liquidator to provide creditors with an update of the progress of the liquidation. The report has been prepared for the purpose of advising creditors. The report is private and confidential and may not be relied upon, referred to, copied or quoted from, in whole or in part, by creditors for any purpose other than advising them, or by any other person for any purpose whatsoever.

W A Batty was appointed as Liquidator of ASG Distributions Limited on 29 April 2010.

WA Batty, SJ Evans and HF Jesseman are licensed as Insolvency Practitioners in the UK by The Institute of Chartered Accountants in England & Wales under S 390 (2) of the Insolvency Act 1986.

Abbreviations used in this report

- ASG Distributions Limited - ("ASG" or "the Company")
- W A Batty - ("the Liquidator")
- Insetco Plc formerly known as ASG Media Plc - ("Insetco")
- ASL Media Limited - ("ASL")
- Freelance Media Limited - ("Freelance")

ASG DISTRIBUTIONS LIMITED - IN LIQUIDATION

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ASG DISTRIBUTIONS LIMITED – IN LIQUIDATION

1 INTRODUCTION

1.1 Purpose of Report

This report is prepared pursuant to the provisions of the Insolvency Act 1986, which require me as Liquidator to provide creditors and members with an update on the progress of the Liquidation

This report covers the period from 29 April 2012 to 5 July 2012

The following information is included in this report

- Details of asset realisations
- Details of any distributions made to creditors and likely further distributions
- Details of the Liquidator's receipts and payments including details of assets realised and any costs paid
- Information regarding fees and expenses
- Other information for creditors

The necessary tax clearance has been received from HMRC. Accordingly I am now in a position to conclude my administration of the above liquidation

2 ASSET REALISATIONS

2.1 Book Debts

As previously advised Insetco (formerly ASG Media PLC), ASL and Freelance all entered Administration on 2 November 2009. The business and assets of ASL & Freelance and certain assets of Insetco were sold to Trainfx Limited, a subsidiary of RAM Investment Group PLC on 9 November 2009.

Insetco's only remaining asset was an outstanding loan to ASL.

As part of the Administration sale, TrainFx Limited agreed to assist the Joint Administrators in collecting the debts due to ASL. The Director estimated that book debts of circa £100,000 would be recoverable out of the total ledger of £394,984, this would have resulted in a substantial dividend payment to Insetco in respect of the outstanding loan.

The CVA of Insetco proposed a hive down of Insetco's remaining assets and liabilities to a newly formed company, ASG Distributions Limited. It was further proposed that this Company was to be placed into Creditors Voluntary Liquidation and that the Joint Administrators be appointed as Liquidators. Creditors of Insetco were to also become creditors of ASG Distributions Limited.

In addition the CVA proposed that shares in Insetco would be issued to the Insetco creditors pari passu with their claim. This had the effect of restoring solvency to Insetco.

The intention of the arrangement was to ensure that creditors received the benefit of any realisations, subject to similar costs, and within the same timescale which they would otherwise have received were Insetco to have progressed into Liquidation rather than exiting Administration by way of the CVA, whilst also receiving the additional benefit of the shares in Insetco, which have now been issued under the terms of the CVA. This arrangement removed all of the liabilities from Insetco on agreement of the CVA, such that it could then be re-listed as an investing company on AIM.

Following approval of the CVA shares of Instco have been issued to creditors and the benefit of the ASL loan from Insetco, was hived down to ASG Distributions Limited

ASL entered creditors' voluntary liquidation on 1 November 2010 and Antony Batty and Stephen Evans were appointed Joint Liquidators

The Joint Liquidators of ASL have been advised by TrainFx that the majority of the debts are disputed and therefore are unlikely to be collectable. Further investigations took place to ascertain which debts could be collected and Barlow Lyde & Gilbert, a firm of solicitors were instructed to correspond with Trainfx on this matter

The outcome for ASL's creditors, including ASG Distributions Limited was dependent on the level of book debt recoveries

It has now been established that the Liquidators of ASL Media Limited will not have funds to make a distribution to unsecured creditors including ASG Distributions Limited. Inter-company debt of £10,900,040 has now been written off accordingly

As there are no other assets to be realised in the Liquidation of ASG Distribution Limited, I am now taking steps to finalise the Liquidation

3 CREDITORS – CLAIMS AND DISTRIBUTIONS

There are a number of different classes of creditors in insolvency matters. These include

Secured Creditors are creditors who hold fixed and or floating charge debenture security, they are paid in priority to other creditors, subject to preferential creditors and unsecured creditors under the prescribed part

Preferential creditors comprise employees' claims for holiday pay and some arrears of wages. Preferential creditors are paid in priority to the prescribed part, floating charge holders and unsecured creditors

Unsecured creditors rank behind secured and preferential creditors. Unsecured creditors receive the surplus from net realisations after secured and preferential creditors and any payment which is made under the prescribed part

3.1 Secured Creditors

I am not aware of any secured creditors in this matter

3.2 Preferential Creditors

I am not aware of any preferential claims in this matter

3.3 Prescribed Part

Section 176A of the Insolvency Act 1986 requires the Liquidator to set aside a prescribed amount of the company's "net property" towards the satisfaction of unsecured debts. Net property is the amount that would otherwise be available for the satisfaction of holders of debentures secured by, or holders of, any floating charge created after 15 September 2003. Net property is calculated after accounting for preferential debts and the costs of realisation

A Liquidator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

As there is no qualifying floating charge holder, the prescribed part regulations will not apply

3 4 Unsecured Creditors

I have received unsecured claims totalling £1,225,856, which compares to the Statement of Affairs estimate of £649,271

As detailed in the notes to the Statement of Affairs I was aware that creditor claims could be substantially in excess of that detailed in the Statement of Affairs, due to guarantees given by Insetco to creditors of its subsidiary companies

Notice of No Dividend

I hereby give notice that no dividend will be paid to creditors as no funds have been realised

4 LIQUIDATORS' RECEIPTS AND PAYMENTS

No receipts or payments have been made in the Liquidation period

5 LIQUIDATOR'S REMUNERATION & EXPENSES

5 1 Approval of Basis of Remuneration & Expenses

My fees as Liquidator have been approved on a time cost basis, by reference to time properly given by me and my staff in attending to matters arising in the Liquidation, together with category 2 expenses, by the creditors at the creditors' meeting held on 1 April 2010

Category 1 expenses are payable without approval from creditors

5 2 Liquidator's Time Costs

For the period of this report, time costs amount to £2,075, representing over 7 hours work, at an average charge out rate of £262 The total time costs for the liquidation amount to £3,488, representing over 13 hours work, at an average charge out rate of £264

I have not been able to draw any fees in this matter, the above time costs will be written off

Appendix V contains further information about time spent on the Liquidation and has been categorised into the following headings

- Administration and Planning includes case planning, administrative set-up, appointment notification, statutory reporting, compliance, cashiering, accounting and administrative functions
- Realisation of Assets includes identifying, securing, insuring assets, retention of title issues, debt collection, property, business and asset sales
- Investigations includes reporting on the conduct of directors, investigating antecedent transactions and any other investigations that may be deemed appropriate
- Trading includes planning, strategy, trading accounting, managing operations on site, corresponding with suppliers and customers, and on-going employee matters
- Creditors includes creditor set up, communication and meetings, reviewing and agreeing preferential and unsecured claims, corresponding with secured creditors, reviewing and obtaining advice in relation to security granted by the Company

To date the time spent on this matter has predominantly been spent on the initial set up and statutory tasks of the Liquidation and dealing with day to day creditor queries

A Guide to Liquidators' fees may be found at <http://www.antonybatty.com/resource>. I would also be pleased to send you a copy by e-mail or post on request. Details of current charge out rates are given at Appendix VII.

5.3 Liquidator's Expenses

A summary of my expenses for the period of the Liquidation is given at Appendix VI, and I have written off the balance.

Details of the disbursements policy are given at Appendix VII.

5.4 Creditor's Request for Further Information about Remuneration & Expenses

Pursuant to rule 4.49E of the Insolvency Rules 1986, creditors have the right to request in writing for further information regarding the remuneration or expenses set out in this report. The request can be made by either:

- c) a secured creditor, or
- d) an unsecured creditor with concurrence of at least 5% in value of unsecured creditors (including that creditor) or the permission of the Court.

The request must be made in writing within 21 days of receipt of this draft report.

5.5 Creditor's Claim that Remuneration and/or Expenses are Excessive

Pursuant to rule 4.131 of the Insolvency Rules 1986, creditors have the right to challenge the liquidator's remuneration and expenses by making an application to court. The application can be made by either:

- c) a secured creditor, or
- d) an unsecured creditor with concurrence of at least 10% in value of unsecured creditors (including that creditor) or the permission of the Court.

The application may be made on the grounds that the liquidator's remuneration is, in all the circumstances, excessive, the basis of fixing the remuneration is inappropriate, or the liquidator's expenses are, in all the circumstances, excessive.

Any such application must be made within 8 weeks of receipt of this draft report.

If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not out of the assets.

6 FURTHER INFORMATION FOR CREDITORS

6.1 Investigations

I am required to submit a report to the Department for Business, Innovation, and Skills concerning the conduct of those who have been directors of the Company at any time in the three years preceding the Liquidation. Whilst the content of this report is confidential, I confirm that this report has been submitted. This is a standard part of my duties and does not imply any criticism of the directors.

I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. To date, I am not aware of any such matters.

If there are any matters which may not have already been brought to my attention please contact Claire Howell at my office.

6 2 EC Regulation on Insolvency Proceedings

I consider that the EC Regulation on Insolvency Proceedings apply to the Liquidation of the Company I also consider that they are "main" proceedings since the Company's registered office and trading address are in the United Kingdom

7 CONCLUSION OF THE LIQUIDATION \ OTHER MATTERS

The Liquidation is being finalised as it has now been ascertained that it is highly unlikely that there will be a distribution to unsecured creditors from the Liquidation of ASL Media Limited

Should you have any queries with regard to this matter, please contact my colleague Claire Howell

A handwritten signature in black ink, appearing to be 'W A Batty', written in a cursive style.

W A Batty
Liquidator

APPENDIX I

ASG DISTRIBUTIONS LIMITED - IN LIQUIDATION

STATUTORY INFORMATION

Company Number	07147030
Date of Incorporation	4 February 2010
Trading Name	N/A
Previous Registered Names	None
Registered Office	3 Field Court, Gray's Inn, London, WC1R 5EF
Formerly	N/A
Trading Address	N/A
Principle business activity	N A

Directors

<u>Name</u>	<u>Appointed</u>	<u>Resigned</u>
G K D Truman	04/02/2010	Present

Company Secretary

<u>Name</u>	<u>Appointed</u>	<u>Resigned</u>
None		

Issued Share Capital 1 ordinary shares of £1 each

Shareholders

<u>Name</u>	<u>Ordinary Shares</u>	<u>Percentage</u>
ASG Media Plc – In Administration	1	100%

There are no Charge holders

APPENDIX II

ASG DISTRIBUTIONS LIMITED - IN LIQUIDATION

DETAILS OF APPOINTMENT OF THE LIQUIDATOR

Name and address of Liquidator	W A Batty of 3 Field Court, Gray's Inn London, WC1R 5EF
Date of Appointment	29 April 2010
By Whom Appointed	Members and Creditors

SIP 9 - Time & Cost Summary

Period 29/04/11 to 30/07/12

Time Summary

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	1 00	0 70	4 50	0 00	6 20	1,548 00	249 68
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	1 70	0 00	0 00	1 70	527 00	310 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Pre Jan 2003 Time	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	1 00	2 40	4 50	0 00	7 90	2,075 00	262 68
Total Fees Claimed						0 00	

ASGLIQ

ASG Distributions Limited

APPENDIX III

SIP 9 - Time & Cost Summary

Period 29/04/10 to 07/12

Time Summary

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	1 00	4 30	4 80	0 70	10 80	2,754 50	255 05
Investigations	0 00	0 30	0 00	0 00	0 30	88 50	295 00
Realisations of assets	0 00	0 40	0 00	0 00	0 40	118 00	295 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	1 70	0 00	0 00	1 70	527 00	310 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Pre Jan 2003 Time	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	1 00	6 70	4 80	0 70	13 20	3,488 00	264 24
Total Fees Claimed						0 00	

APPENDIX VI

ASG DISTRIBUTIONS LIMITED - IN LIQUIDATION

SUMMARY OF LIQUIDATOR'S EXPENSES

	Category 1	Category 2
Photocopying		£122
Faxes		£3
Advertising	£136	
Other	£200	
Postage	£61	
	<u>£397</u>	<u>£125</u>