

The Insolvency Act 1986

Administrator's progress report

Name of Company

Sirius Personnel Limited

Company number

07307033

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

Court case number
3443 of 2014

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

I/We (a)
Lisa Marie Moxon
Dow Schofield Watts Business Recovery LLP
7700 Daresbury Park
Daresbury
Cheshire
WA4 4BS

Christopher Benjamin Barrett
Dow Schofield Watts Business Recovery LLP
7700 Daresbury Park
Daresbury
Cheshire
WA4 4BS

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

From

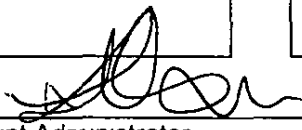
To

(b) Insert date

(b) 22 December 2014

(b) 21 June 2015

Signed


Joint Administrator

Dated

21/7/15

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

Lisa Marie Moxon
Dow Schofield Watts Business Recovery LLP
7700 Daresbury Park
Daresbury
Cheshire
WA4 4BS

DX Number

0844 7762740
DX Exchange

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Sirius Personnel Limited (“the Company”) – In Administration

Joint Administrators’ First Progress Report for the period from 22 December 2014 to 21 June 2015

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1. Introduction

On 22 December 2014, Christopher Benjamin Barrett and Lisa Marie Moxon of Dow Schofield Watts Business Recovery LLP were appointed as Joint Administrators of the Company by its director. Statutory information concerning the Company and the Joint Administrators is set out at **Appendix A**

The Joint Administrators' proposals were issued to creditors on 16 February 2015. No meeting of creditors was held and the Joint Administrators' proposals were deemed approved on 26 February 2015.

I consider that the EC Regulation on Insolvency Proceedings applies and that these are "main proceedings" as defined in Article 3 of the EC Regulation as the centre of main interests of the Company is in the United Kingdom.

2. Joint Administrators' receipts and payments account

The Joint Administrators' receipts and payments account for the period from 22 December 2014 to 21 June 2015 is attached at **Appendix B**

My comments on the receipts and payments account are detailed below

3. Action Taken Since Appointment

The purpose of an administration is to achieve one of the three hierarchical objectives set out in the insolvency legislation, which are to

- (a) rescue the company as a going concern, or
- (b) achieve 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
- (c) realise property in order to make a distribution to one or more secured or preferential creditors

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the financial circumstances of the Company meant that a Company Voluntary Arrangement was not appropriate.

The second objective could not be achieved as the amount due to the Company's secured creditors compared to the value of its assets means that there are only sufficient assets to make a distribution to the secured creditors.

As a result, we are seeking to achieve Objective (c) for the Company, and the strategy to do so involved a pre-pack sale of the business and assets of the Company.

3.1 Sale of Business

Following a period of marketing prior to my appointment as Joint Administrator, a sale of the Company's business and certain assets was negotiated. On the date of administration, 22 December 2014, the Company's business and assets were sold to C-BUK Management Limited ("C-BUK"). Full details of this transaction were circulated to all known creditors in my initial Notification of Appointment dated 23 December 2014.

The assets included in the transaction were as follows -

	£
Business IP Rights	1
Customer Contracts	1
Office Equipment	2,496
Goodwill	6,000
Seller's Records	1
Work in Progress	6,500
Stock	1
Total	<u>15,000</u>

Consideration of £5,000 was received on the day of completion with the remaining £10,000 payable as deferred consideration. During the review period, we have received £7,500 of the deferred consideration. A further £1,500 has been received after the 21 June 2015. The outstanding £1,000 will continue to be pursued from C-BUK.

The going concern sale resulted in the employees of the Company transferring to C-BUK under the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE"), therefore avoiding redundancies and the associated preferential and non-preferential claims against the Company.

3.2 Book Debts

The Company's book debts are assigned to the secured creditor, Bibby Financial Services Limited ("Bibby"). At the date of Administration the Company's book debts totalled £231,834, with an estimated realisable value of £191,459. Bibby was owed £180,576 (prior to the application of termination and collection charges).

We have provided assistance to Bibby in the recovery of the assigned book debt ledger. To date, book debt realisations total £197,244.

It is anticipated that there will be sufficient funds generated from the recovery of the assigned book debts to discharge Bibby's core liability plus termination charges in full.

3.3 Goodwill

The goodwill of the Company had a nil book value at the date of appointment. The goodwill included the business name and business rights of the Company and was included in the sale to C-BUK for £6,000, which has now been received in full.

The goodwill is subject to the fixed charge dated 11 October 2011 in favour of Bibby.

3.4 Work in Progress ("WIP")

At the date of Administration the Company had WIP and contracts with a book value of £42,000.

After consideration of the costs that would need to be incurred to complete the WIP and the profit margin, the Joint Administrators sold the WIP to C-BUK for the sum of £6,500, which has now been received in full.

3.5 Office Equipment

At the date of appointment the Company owned office equipment with a book value of £4,362.86. An estimated to realise value of £700 on a forced sale basis and £1,050 on an in-situ basis was placed on the office equipment by JPS Chartered Surveyors ("JPS").

The office equipment was sold to C-BUK for the sum of £2,496. This sum has not been received during the review period.

3.6 Stock

At the date of Administration the Company held minimal stationary stock with a book value of £2,588. JPS advised that there was no realisable value.

The stock was sold to C-BUK for the sum of £1, which has not yet been received.

3.7 Cash at Bank

The Statement of Affairs did not include a cash at bank figure. Following our appointment we wrote to Barclays Bank Plc to request the transfer of any funds to the Administration estate account. We have received the credit balance of £1,234 in full.

3.8 Sundry refunds

Since our appointment we have collected refunds of £1,148 in respect of a hire deposit paid by the Company.

3.9 Bank interest

The administration estate funds are held in an interest bearing account in the name of the Company and operated by the Joint Administrators. Bank interest totalling £2 has been received during the period.

4. Investigations

The Joint Administrators have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the administration. We are 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.

Appropriate investigations have been carried out and there are no outstanding lines of enquiry.

The confidential report or return on the conduct of the directors of the Company has been submitted to the Insolvency Service.

5. Proposed Future Actions of the Joint Administrators

In order to achieve the objective of the administration the Joint Administrators propose to continue to assist Bibby with the recovery of the outstanding book debts and continue to deal with any creditor queries and monitor claims received

As the Company has insufficient assets to allow a distribution to unsecured creditors it is intended that once all matters in the administration are concluded the Company will be moved to dissolution

6. Creditors and Distributions

6.1 Secured Creditors – Bibby Financial Services Limited

Bibby, in addition to an assignment of the Company's book debts, has fixed and floating charges created on 11 October 2011 over the assets of the Company

As detailed at 3.2 it is anticipated that sufficient funds will be generated from the recovery of the assigned book debt ledger to discharge Bibby's liability in full

6.2 Preferential Creditors

As a result of the business sale, all employees transferred to C-BUK in accordance with the Transfer of Undertakings (Protection of Employment) Regulations 2006. Consequently there are no known preferential creditors

6.3 Prescribed Part

In cases where a company gave a floating charge over its assets to a creditor on or after 15 September 2003, the prescribed part provisions set aside a proportion (the "prescribed part") of the funds that would otherwise have been available for distribution to floating charge creditors (the "net property") so that the prescribed part can be distributed to unsecured creditors

As Bibby is expected to be repaid in full from assigned book debts and will not be relying on its floating charge, the prescribed part provisions will not apply

6.4 Unsecured Creditors

The Company's unsecured creditors are estimated to total £172,226

The level of asset realisations in this matter are insufficient to allow a distribution to unsecured creditors in this matter

7. Expenses of the Administration

7.1 Administrators' remuneration and disbursements

Approval will be sought from the secured creditor, Bibby, for the Joint Administrators to draw their remuneration by reference to time properly spent by them and their staff in dealing with matters relating to the administration of the Company

A further resolution will be sought for the Joint Administrators to be authorised to draw category 2 disbursements at the rates set out in **Appendix C** of this report

The Joint Administrators' time costs and disbursements incurred and drawn during the period from 22 December 2014 to 21 June 2015 are as follows -

	Incurred £	Paid £
Joint Administrators' time costs	10,913 00	Nil
Category 1 disbursements	96 28	Nil
Category 2 disbursements	42 30	Nil

Appendix C includes further details of these time costs and disbursements in accordance with Statement of Insolvency Practice 9. This includes details of hourly charge out rates, a breakdown of the time costs incurred by work type and staff grade and an analysis of the disbursements incurred and paid.

Further information relating to Administrators' Remuneration can be found in '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). The guide includes details of creditors' right to request information under Rule 2.48A and their right to challenge Administrator's remuneration and expenses under Rule 2.109. A summary of these rights is also set out in Appendix C. A copy of the guide will be provided free of charge upon request to Dow Schofield Watts Business Recovery LLP.

7.2 Other expenses

The following professional advisors have been instructed to assist the Joint Administrators in this matter:

Professional Advisor	Nature of Work	Fee Arrangement
JPS Chartered Surveyors	Valuation of equipment and stock, advice on sale strategy, advice on offers received	Time Costs / Commission
Bermans LLP	Assistance with appointment formalities, preparation of property sale and purchase agreement, advice on validity of security, preparation of sale and purchase agreement for equipment and stock sale	Time Costs

The choice of professionals and the Joint Administrators' fee arrangement with them was based on our assessment of the nature and complexity of the work required and their experience and ability to perform that work.

Details of the administration expenses incurred and paid during the period from 22 December 2014 to 21 June 2015 are set out at **Appendix C**.

7.3 Pre-Administration costs

The Joint Administrators will be seeking approval from the secured creditor, Bibby, for the Joint Administrators to draw pre-administration costs of £5,580 50 plus VAT. The costs incurred and amounts paid to date are as follows -

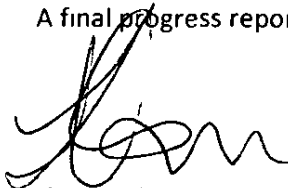
	Incurred £	Paid £
Dow Schofield Watts Business Recovery LLP fees	2,977 50	Nil
Legal Fees Bermans LLP	1,850 00	Nil
Agents' fees and disbursements JPS Chartered Surveyors	750 00	Nil
Category 1 disbursements	3 00	Nil
Total	5,580.50	Nil

8. End of Administration

Once the matters set out at section 5 above are concluded, it is the Joint Administrators' intention to exit the administration by moving the Company into dissolution. It is currently anticipated that this will take place before the anniversary of our appointment.

The joint administrators will seek the agreement of the secured creditor, that upon the Company proceeding into dissolution, the Joint Administrators' discharge from liability, pursuant to paragraph 98 of Schedule B1, shall take effect 14 days following the filing of the notice of moving from administration to dissolution.

A final progress report will be issued to creditors at the end of the administration.



Lisa Marie Moxon

Joint Administrator

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association

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	Sirius Personnel Limited
Previous Names	Advanced Training and Recruitment (UK) Limited (changed on 15/09/2014) Driving Link Limited (changed on 07/11/2013) Mike Hickman Logistics Limited (changed on 18/08/2011)
Trading Name	N/a
Company Number	07307033
Date of Incorporation	07 July 2010
Trading Address	Brunswick House 499 Etruria Rd Stoke-On-Trent Staffordshire ST4 6JR
Current Registered Office	7700 Daresbury Park Daresbury Warrington WA4 4BS
Former Registered Office	Hewitt House Winstanley Road Orrell Wigan Lancashire WN5 7XA
Principal Trading Activity	Employment Agency
Appointment details	
Date of Appointment	22 December 2014
Appointment made by	Director
Court Name and Reference	High Court of Justice, Chancery Division, Manchester District Registry No 3443 of 2014
Administrators Appointed	Lisa Marie Moxon (IP Number 16370) Dow Schofield Watts Business Recovery LLP 7700 Daresbury Park Daresbury, Warrington WA4 4BS

Christopher Benjamin Barrett (IP Number 9437)
Dow Schofield Watts Business Recovery LLP
7700 Daresbury Park
Daresbury, Warrington
WA4 4BS

Pursuant to Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986, any function required or authorised to be done by the Joint Administrators may be done jointly by both of them or by any one of them

Officers of the Company

Director:

Craig Buckley

Shareholding:

0%

Company Secretary.

N/a

Share Capital

2 ordinary shares of £1 each, allotted, called up and fully paid

Shareholder:

Barry John Davies

Charges

Debenture in favour of Bibby Financial Services Limited dated 11 October 2011

Sirius Personnel Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 21/06/2015

S of A £		£	£
	SECURED ASSETS		
6,003 00	Goodwill	6,000 00	
191,459 03	Book Debts	NIL	
			6,000 00
	SECURED CREDITORS		
(180,576 42)	Biby Financial Services Limited	NIL	
			NIL
	ASSET REALISATIONS		
2,496 00	Office Equipment	NIL	
1 00	Stock	NIL	
6,500 00	WIP	6,500 00	
	Cash at Bank	1,234 13	
	Sundry Refund	1,148 26	
	Bank Interest Gross	1.66	
			8,884 05
	COST OF REALISATIONS		
	Statutory Advertising	72.00	
			(72 00)
	UNSECURED CREDITORS		
(11,981 40)	Trade & Expense Creditors	NIL	
(22,500 00)	Director - Craig Buckley	NIL	
(63,609 52)	H M Revenue & Customs - VAT	NIL	
(29,134 61)	H M Revenue & Customs - PAYE	NIL	
(45,000 00)	Michael Andrew Hickman	NIL	
			NIL
	DISTRIBUTIONS		
(2 00)	Ordinary Shareholders	NIL	
			NIL
(146,344.92)			14,812.05
	REPRESENTED BY		
	Vat Receivable		14 40
	Bank 1 Current		14,797 65
			14,812.05

Appendix C

Information relating to the Joint Administrators' Fees and Expenses

Information relating to the Joint Administrators' Fees and Expenses

1. Fees and disbursement recovery

Time recording policy

It is our policy to seek fee approval on a time costs basis. Work undertaken on insolvency appointments is recorded in 6 minute units on an electronic time recording system. Time properly incurred on cases is charged at the hourly charge-out rate of the grade of staff undertaking the work.

The current hourly charge-out rates are as follows -

Staff grade	Hourly rate (£) from 6 May 2014
Partner and Insolvency Practitioner	300
Manager	250
Assistant Manager	225
Senior Case Administrator	175
Case Administrator	105-130
Trainee Case Administrator	70
Cashier	125

Disbursements policy

Office holders' disbursements fall under two categories

Category 1 disbursements consist of external supplies of goods or services specifically relating to the case. Where such costs are paid by Dow Schofield Watts Business Recovery LLP, creditor approval is not required for those costs to be recharged to the insolvency estate. Category 1 disbursements will typically include costs such as statutory advertising, specific bond insurance, company search fees, storage, postage, external room hire and travel expenses (excluding business mileage).

Category 2 disbursements are costs that are directly referable to the case but not to a payment to an independent third party. They include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Such disbursements can only be charged to the insolvency estate with the approval of creditors. It is our policy to seek creditor approval for the payment of the following Category 2 disbursements -

Disbursement type	Rate
Mileage	45p per mile

2. Existing Fee Arrangements

The Joint Administrators intend to seek approval from the secured creditor that the Joint Administrators be remunerated on a time cost basis and be authorised to draw category 2 disbursements at the rates set out above.

3. Time and Charge out summary

To date a total of 84 hours have been spent at an average charge out rate of £129.92 bringing the total cost to date to £10,913. A summary table is shown overleaf.

Time Entry - SIP9 Time & Cost Summary

S005 - Sirius Personnel Limited
Project Code POST
From 22/12/2014 To 21/06/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.50	1.60	27.40	9.60	39.10	4,927.50	126.02
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.00	4.30	5.10	0.20	10.60	2,052.00	193.58
Investigations	1.00	2.20	11.30	17.70	32.20	3,558.00	110.50
Realisation of Assets	0.10	0.60	1.40	0.00	2.10	375.50	178.81
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	2.60	8.70	45.20	27.50	84.00	10,913.00	129.92
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

4. Description of work carried out

Section 3 of this appendix outlines the time costs to date in relation to activities undertaken during this matter. Staff of different levels were involved in the activities below depending on the experience required.

These matters can be summarised as follows:

4.1 Administration and planning

- Statutory duties associated with the appointment including the filing and advertising of relevant notices,
- Notification of the appointment to creditors, members, employees and other interested parties,
- Setting up case files,
- Reviewing available information to determine appropriate strategy,
- Setting up and maintaining bank accounts,
- Case reviews, and
- Dealing with taxation returns and correspondence

4.2 Realisation of Assets

- Identifying assets,
- Liaising with agents and solicitors,
- Correspondence and meetings with interested parties,
- Agreement of sale contract(s),
- Agreeing sale of goodwill, plant & machinery, office equipment and stock,
- Assisting Bibby regarding book debt collection,
- Pursuing recovery of refund due, and
- Collecting cash at bank

4.3 Investigations

- Correspondence with the director;
- Collection of relevant books and records from the former trading premises for the purposes of the investigations,
- Review of questionnaires and information provided by creditors,
- Review of company books and records, and
- Completion of statutory report or return to the Insolvency Service

4.4 Creditors

- Recording and maintaining the list of creditors,
- Liaising with secured creditor,
- Dealing with minimal employee related matters,
- Recording creditor claims,
- Reporting to creditors and members, and
- Responding to creditor queries,

5. Disbursements

The following disbursements have been incurred since the commencement of the administration -

	This period	
	Incurred (£)	Paid (£)
Category 1 disbursements		
Bond	64 80	Nil
Company search fees	6 00	Nil
Postage	25 48	Nil
Category 2 disbursements		
Mileage	42 30	Nil
Total	138.58	Nil

The above costs exclude VAT

6. Professional advisors and expenses

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

Name	This period	
	Incurred (£)	Paid (£)
JPS Chartered Surveyors (P&M agents)	249 70	Nil
Bermans LLP (solicitors)	380 00	Nil
Total	629.70	Nil

The above costs exclude VAT

7. Creditors' rights

Within 21 days of receipt of a progress report a creditor may request the administrators to provide further information about the remuneration and expenses set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

If a creditor believes that the Joint Administrators' remuneration is too high, the basis is inappropriate, or the expenses incurred by the Joint Administrators are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the Joint Administrators' progress report in which the charging of the remuneration or incurring of the expenses in question is first reported.