

The Insolvency Act 1986

Notice of move from administration to dissolution**2.35B**

Name of Company

MCGREGOR INTERNATIONAL LIMITED

Company number

00256202

In the
Manchester District Registry of the High Court

[full name of court]

Court case number
2099 of 2012(a) Insert name(s) and
address(es) of
administrator(s)I / We (a) A Poxon & J M Titley of Leonard CurtisTower 12, 18/22 Bridge Street, Manchester M3 3BZ(b) Insert name and address of
registered office of companyhaving been appointed administrator(s) of (b) MCGREGOR INTERNATIONAL LIMITEDHollins Mount, Hollins Lane, Bury NL9 8DG(c) Insert date of
appointment(d) Insert name of
applicant / appointoron (c) 30 January 2012

by (d)

RBS Invoice Finance Limited

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply

I/we attach a copy of the final progress report

Signed

Joint / Administrator(s)

Dated

29 January 2013**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.

Leonard Curtis

Tower 12, 18/22 Bridge Street, Manchester M3 3BZ

20/KL

Tel 0161 7671250

DX Number

DX Exchange

Companies House receipt date barcode

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





LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

MCGREGOR INTERNATIONAL LIMITED
(IN ADMINISTRATION)

Registered Number: 00256202
Court Ref: 2099 of 2012
Manchester District Registry of the High Court

**Joint Administrators' second and final progress report in accordance
with Rules 2.47 and 2.110 of the Insolvency Rules 1986**

Report period
30 July 2012 to 29 January 2013

29 January 2013

Leonard Curtis
Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ
Tel 0161 7671250 Fax 0161 7671240
recovery@leonardcurtis.co.uk
Ref M/20/KL/NM680K/1010

CONTENTS

- 1 Introduction
- 2 Statutory Information
- 3 Joint Administrators' Proposals
- 4 Progress of the Administration
- 5 Assets Still to be Realised
- 6 Investigations
- 7 Joint Administrators' Remuneration and Disbursements
- 8 Outcome for Creditors
- 9 Ending the Administration

APPENDICES

- A Summary of Joint Administrators' Proposals
- B Summary of Joint Administrators' Receipts and Payments Account for the Period from 30 July 2012 to 29 January 2013
- C Summary of Joint Administrators' Time Costs for the Period from 30 January 2012 to 29 January 2013
- D Additional Information in Relation to the Policy of Leonard Curtis regarding Fees and Disbursements
- E Form 2 35B – Notice of Move from Administration to Dissolution

**STRICTLY PRIVATE AND CONFIDENTIAL
NOT FOR PUBLICATION**

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rules 2.47 and 2.110 of the Insolvency Rules 1986 to provide creditors with an update on the progress of the Administration of McGregor International Limited ("the Company") for the period from 30 July 2012 to 29 January 2013. This is the Joint Administrators' second and final progress report to creditors.
- 1.2 The Administration of the Company is now for practical purposes complete. Section 9 of this report deals with how the Joint Administrators intend to bring the Administration to an end.
- 1.3 Much of the information contained in this report encompasses the whole period of the Administration. Please be aware, however, that where reference is made to "the period of this report", this specifically means 30 July 2012 to 29 January 2013, being the period since the end of the period covered by the last progress report.

2 STATUTORY INFORMATION

- 2.1 A Poxon and J. M. Titley were appointed as Joint Administrators of McGregor International Limited ("the Company") in the jurisdiction of Manchester District Registry of the High Court, number 2099 of 2012 on 30 January 2012. The administration appointment was made by RBS Invoice Finance Limited ("RBSiF") as a holder of a qualifying floating charge.
- 2.2 The administration is being handled by the Manchester office of Leonard Curtis, which is situated at Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ.
- 2.3 The principal trading address of the Company was 49A Borough Road, Altrincham, Cheshire WA15 9RA. The business traded under its registered name.
- 2.4 The registered office address of the Company at the date of the appointment of Administrators was 49A Borough Road, Altrincham, Cheshire WA15 9RA. Following the appointment, this was changed to Hollins Mount, Hollins Lane, Bury BL9 8DG. The registered number of the Company is 00256202.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Administrator may be exercised by all or any of the persons holding that office.
- 2.6 The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

3 JOINT ADMINISTRATORS' PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration.

MCGREGOR INTERNATIONAL LIMITED – IN ADMINISTRATION

- 3 2 There have been no major amendments to, or deviations from, the proposals during the course of the Administration
- 3 3 The objective of the administration has been to realise property in order to make a distribution to secured or preferential creditors
- 3 4 This objective has been achieved as RBSIF have been part repaid from debtor realisations under the terms of their fixed charge

4 PROGRESS OF THE ADMINISTRATION

- 4 1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 30 July 2012 to 29 January 2013. Cumulative figures have also been provided to reflect transactions for the whole of the administration period to date

4 2 Factored Book Debts

The Company had a book debt ledger which was subject to a factoring agreement with RBSIF. As at the date of administration the gross value of the outstanding ledger was £191,630.49 with a corresponding balance of £162,057.58 due to RBSIF. RBSIF has advised that debt collections to date amount to £126,174.41. No further recoveries are expected and RBSIF will suffer a shortfall in this instance.

4 3 Stock

The Company had a quantity of stock on site at one of its suppliers' premises. The supplier has claimed a lien over the stock and so no realisations are anticipated.

5 ASSETS STILL TO BE REALISED

- 5 1 No further asset realisations are expected

6 INVESTIGATIONS

- 6 1 As previously reported, following their initial assessment, no further investigations were considered to be required by the Administrators. Nothing further has been brought to the attention of the Administrators in the period of this report.

7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

Pre-Administration Costs

- 7 1 On 5 April 2012, the secured creditors consented to the following pre-administration costs and expenses being paid as an expense of the administration:

Charged by	Services provided	Total amount charged £
Leonard Curtis	Dealing with Appointment	581.50
Cobbetts LLP	Dealing with Appointment	1,816.80
TOTAL		2,398.30

Due to insufficient funds Leonard Curtis' costs will be written off Cobbetts costs will be paid directly by the secured creditor from fixed charge realisations

Joint Administrators' Remuneration

7 2 On 5 April 2012, the secured creditors agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration Approval was also received to draw category 2 disbursements as detailed at Appendix D

7 3 The Joint Administrators' time costs are summarised below

	Hours No	Rate / hr £	Total value of time £
Time previously reported	71 8	216 05	15,512 50
Time incurred in the period of this report	4 7	225 43	1,059 50
Total Administrators' time costs	76 5	216 63	16,572 00

Please note that Leonard Curtis' chargeout rates were increased on 1 January 2012 Details of the new rates are set out at Appendix D

7 4 The time charged by the Joint Administrators' for the period of this report amounts to £1,059 50 This represents 4 7 hours at an average rate of £225 43 per hour Attached at Appendix C is a time analysis which provides details of the activity costs incurred by staff grade during this period, along with a description of the work done by the Joint Administrators and their staff in respect of which the time has been charged

7 5 Administrators' fees and disbursements drawn to date in respect of these time costs total £10,226 50 plus VAT These have been paid directly by the secured creditor from fixed charge realisations

7 6 The balance of time costs incurred will be written off

Joint Administrators' Disbursements

7 7 The following Category 1 and Category 2 disbursements have been incurred on the case since appointment

Category 1 disbursements

Charged by	Services provided	Total amount pd by LC £	Amount recovered from case £	Amount still to be recovered from case £
Courts Advertising	Statutory Advertising	76 50	-	76 50
AUA IRS	Bordereau fee	40 00	-	40 00
Business Tax Centre	Client Identification	5 00	-	5 00
Companies House	Company searches	5 00	-	5 00
E K Employment Law Consultants	Employee claims	100 00	-	100 00

Category 2 disbursements

No category 2 disbursements have been incurred

Expenses of the Administration

- 7 8 The Joint Administrators have also incurred expenses during the period of this report. These expenses are detailed in the table below, which also indicates whether these expenses have been paid from the case funds

Nature of expenses	By whom provided	Amount incurred this period £	Total amount incurred to date £	Amount paid £	Amount unpaid £
Report Hosting	The Creditor Gateway	12 00	22 00	-	22 00
Software Licence	Pelstar Computing	-	75 00	-	75 00
Legal Fees & Expenses*	Cobbetts Solicitors	-	2,061 50	-	2,061 50
TOTAL		12 00	2,158 50	-	2,158 50

*Due to insufficient funds a sum of £175 17 will be paid directly by the secured creditor and the remainder written off

- 7 9 Attached at Appendix D is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade
- 7 10 Unsecured creditors whose debts amount to at least 5% of the total value of the unsecured claims, or any secured creditor, may request further information regarding remuneration or expenses (other than pre administration costs) by submitting their written requests before 21 February 2013
- 7 11 In addition, unsecured creditors whose debts amount to at least 10% of the total value of the unsecured claims, or any secured creditor, may apply to court, if they believe the remuneration charged or expenses incurred by the Joint Administrators to be excessive or the basis fixed for the Joint Administrators' remuneration to be inappropriate. Any application should be made within 8 weeks of receipt of this report

8 OUTCOME FOR CREDITORS

8 1 Secured Creditors

NMB - Heller Ltd ("NMB")

NMB hold security in the form of a fixed and floating charge over the Company's property and assets created on 14 January 2002 and registered on 16 January 2002. NMB have previously been repaid in full and this charge should be shown as satisfied.

The Royal Bank of Scotland Plc ("RBS")

RBS hold security in the form of a fixed and floating charge debenture over the Company's property and assets created on 8 May 2008 and registered on 14 May 2008. RBS provided banking facilities to the Company and at the date of appointment were owed £399,297 32. There will be no return to RBS in this instance. RBS will have to rely on personal guarantees to recover its debt.

RBSIF

RBSIF hold security in the form of a fixed and floating charge debenture over the Company's property and assets created on 23 July 2008 and registered on 26 July 2008. RBSIF provided an invoice discounting facility to the Company and at the date of appointment were owed £162,057 58 with a gross book debt ledger of £191,630 49. Book debt collections to date total £126,174 41. No further recoveries are expected and RBSIF will suffer a shortfall in this instance.

8 2 Preferential Claims

The only categories of claims which have preferential status are those of employees in respect of wages and accrued holiday pay. As the employees had been made redundant by the Company prior to our appointment with arrears of wages and accrued holiday pay, it was anticipated that a preferential claim would be received in the sum of £3,668.46. Although a formal claim was not actually received by the Redundancy Payments Service there will be no return to preferential creditors in this instance in any event.

8 3 Prescribed Part

The net property in this case is expected to be less than the prescribed minimum and we consider that the cost of making a distribution of the prescribed part in this case to be disproportionate to the benefits. Accordingly, we do not expect to set aside a prescribed part in this instance.

8 4 Unsecured Non-Preferential Claims

It is considered unlikely that there will be sufficient funds available to enable a distribution to unsecured creditors. This statement is being made in accordance with paragraph 52(1)(b) of Schedule B1 to the Act.

10 ENDING THE ADMINISTRATION

- 10 1 The Administration is now for practical purposes complete. As there are insufficient funds available to allow payment of a dividend to unsecured creditors in this case, the appropriate exit route from the Administration is Dissolution of the Company. Attached at Appendix E is Form 2.35B – Notice of Move from Administration to Dissolution. On the registration of this Notice by Companies House, the Administration will be brought to an end and the appointment of the Joint Administrators will cease to have effect.
- 10 2 At the end of the period of three months beginning with the date of registration of Form 2.35B, the Company will be dissolved.
- 10 3 The Joint Administrators will be discharged from liability in respect of any action(s) of theirs as Administrators immediately upon their appointment ceasing to have effect.

If you wish to discuss the issues raised in this report or require any additional information please contact this office.

for and on behalf of
MCGREGOR INTERNATIONAL LIMITED



A POXON
JOINT ADMINISTRATOR

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

SUMMARY OF JOINT ADMINISTRATORS' PROPOSALS

- 1 The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration
- 2 If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company
- 3 If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors Voluntary Liquidation. It is further proposed that A Poxon and/or J M Titley be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved
- 4 Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration
- 5 In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved
- 6 The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company
- 7 The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that A Poxon and/or J M Titley be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them
- 8 The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration

APPENDIX B

SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
30 JULY 2012 TO 29 JANUARY 2013

	Estimated to realise £	Transactions Previously reported £	Transactions This period £	Cumulative £
RECEIPTS				
Book Debts	n/k	126,174 41	-	126,174 41
Deposit Interest Gross	-	19 94	7 53	27 47
TOTAL	<u>n/k</u>	<u>126,194 35</u>	<u>7 53</u>	<u>126,201 88</u>
PAYMENTS				
None				
TOTAL		<u>Nil</u>	<u>Nil</u>	<u>Nil</u>
DISTRIBUTIONS				
RBSIF				(126,201 88)
BALANCE IN HAND				<u>Nil</u>

MCGREGOR INTERNATIONAL LIMITED – IN ADMINISTRATION

APPENDIX C

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 30 JANUARY 2012 TO 31 DECEMBER 2013**

	Director		Senior Manager		Manager 1		Manager 2		Administrator 4		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory & Review	4	170 00	2	77 00	-	-	5	142 50	30	405 00	41	794 50	193 78
Receipts & Payments	-	-	-	-	-	-	-	-	2	27 00	2	27 00	135 00
Insurance	-	-	-	-	-	-	8	228 00	-	-	8	228 00	285 00
Assets	-	-	20	770 00	-	-	5	142 50	-	-	25	912 50	365 00
Liabilities	-	-	6	231 00	8	264 00	64	1,824 00	-	-	78	2,319 00	297 31
Debenture Holder	10	425 00	-	-	-	-	8	228 00	-	-	18	653 00	362 78
General Administration	-	-	-	-	-	-	30	855 00	170	2,295 00	200	3,150 00	157 50
Appointment	10	425 00	29	1,116 50	-	-	70	1,995 00	126	1,701 00	235	5,237 50	222 87
Post Appointment Creds Mtgns	-	-	-	-	-	-	55	1,567 50	88	1,188 00	143	2,755 50	192 69
Investigations	-	-	-	-	15	495 00	-	-	-	-	15	495 00	330 00

Total	24	1,020 00	57	2,194 50	23	759 00	245	6,982 50	416	5,616 00	765	16,572 00	
-------	----	----------	----	----------	----	--------	-----	----------	-----	----------	-----	-----------	--

Average Hourly Rate (£)		425 00		385 00		330 00		285 00		135 00		216 63	
-------------------------	--	--------	--	--------	--	--------	--	--------	--	--------	--	--------	--

All Units are 6 minutes

DESCRIPTION OF TIME SPENT BY CATEGORY

Statutory and Review

This involved making regular reviews of the case file to ensure all matters were being progressed and complying with the statutory requirement to submit a Directors' Conduct Report to The Insolvency Service

Receipts and Payments

This involved making payments in respect of expenses incurred in the administration

Insurance

This involved undertaking the necessary checks with regards to any pension scheme in place

Assets

Time was spent monitoring the debtor collections and posting them up on the system

Liabilities

Time was spent dealing with creditor queries by post, telephone and email

General Administration

This includes setting up the case file and engaging in general correspondence. It also involved a site meeting to collect the information required and uplift the books and records of the Company

Appointment

This involved notifying creditors and all relevant parties of our appointment as administrators and complying with statutory requirements

Post Appointment Creditors' Meetings

Time was spent preparing and reviewing the Joint Administrators' proposals and report that was sent to all known creditors

Investigations

Time has been expended reviewing the Company's accounting records and investigating certain transactions together with gathering information for assistance in preparation of the statutory requirement to submit a Directors' Conduct Report to The Insolvency Service

ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF LEONARD CURTIS REGARDING FEES AND DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below.

With effect from 1 January 2012 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Standard £
Director	425
Senior Manager	385
Manager 1	330
Manager 2	285
Administrator 1	230
Administrator 2	210
Administrator 3	190
Administrator 4	135
Support	0

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Disbursements

- a) Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£66.09 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

FORM 2.35B – NOTICE OF MOVE FROM ADMINISTRATION TO DISSOLUTION