

# 2.24B

The Insolvency Act 1986

## Administrator's progress report

Name of Company A1 Grand Prix Operations Limited
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Company number 03915200
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In the High Court <small>(full name of court)</small>
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Court case number 14056 of 2009
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(a) Insert full name(s) and address(es) of administrator(s)

I/~~WE~~ (a)  
 Timothy Bramston  
 Griffins  
 Tavistock House South  
 Tavistock Square  
 London  
 WC1H 9LG

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

(b) Insert date

From (b) 06 April 2011
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To (b) 05 October 2011
---------------------------

Signed

*T. Bramston*  
 Joint Administrator~~s~~

Dated

06 October 2011

### 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

Timothy Bramston Griffins Tavistock House South Tavistock Square London WC1H 9LG	020 7554 9600 DX Exchange
DX Number	

The contact information that you give

w  
p

FRIDAY



A38      \*A1UOHY6E\*      205  
 07/10/2011  
 COMPANIES HOUSE

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**

**A1 Grand Prix Operations Limited  
(in Administration)**

**Administrator's Progress  
Report to Creditors  
for the period ending 06 October 2011**

**In the High Court of Justice  
No 14068 of 2009**

Pursuant to paragraph 69 of Schedule B1 of the Insolvency Act 1986, the Administrator acts as an agent of the Company and without personal liability



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- A Receipts and Payments Account for the period 06 April 2011 to 06 October 2011
- B Time Analysis for the period from 21 July 2009 to 05 October 2009 & 06 October 2009 to 06 October 2011 together with details of charge out rates provided in accordance with the Statement of Insolvency Practice (SIP) 9

Pursuant to paragraph 69 of Schedule B1 of the Insolvency Act 1986, the Administrator acts as an agent of the Company and without personal liability



## 1. Statutory Information

Registered Office    Griffins  
Tavistock House South  
Tavistock Square  
London  
WC1H 9LG

Company Number 03915200

Administrator Mr T J Bramston

Date of Appointment 06 October 2009

## 2. Introduction

Further to my appointment as Administrator upon the making of my application whilst in office as Liquidator in the same matter under the provision of Paragraph 38 of Schedule B1 of the Insolvency Act 1986, this is my progress report pursuant to Rule 2.47 of the Insolvency Rules 1986

This report provides an update on the progress of the Administration and should be read in conjunction with my previous reports and has been in accordance with the requirements of Rule 2.47(3B) of the Insolvency Rules 1986 in support of the application to extend the Administration

## 3. Receipts and Payments Accounts

The Receipts and Payments account for the period 06 April 2011 to 06 October 2011 is at Appendix A

## 4. Realisation of Assets

There is a credible offer to purchase the assets in place, which my agents are actively ensuring is progressing. However, it has become necessary to seek the Court's direction in granting to the sale of the assets, which are subject to security. This has inevitably had the effect of delaying the sale and consequently made it necessary to further extend the duration of the Administration.

In the absence of this sale being concluded, I shall be seeking the Court's direction in sanctioning a move to realise the assets by public auction as all other credible offers have since fallen through.

A sale by auction would consequently result in a marked reduction in realisable value of the assets, as confirmed by my agents though is necessary in the circumstance as

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it is no longer economically tenable to maintain the status quo due to the considerable storage and insurance costs

## 5 Creditors

The total of creditor's claims to date is £101,865,299 93

Unfortunately, due to the current offers being proposed, it is unlikely that there will be sufficient funds to allow for a distribution to unsecured creditors. I have advised creditors of the position in my last progress report issued on 02 March 2011

## 6. Office Holder's Remuneration and Expenses

As previously advised, a Creditors' Committee was appointed on 30 October 2010 and they approved my remuneration during my time as Liquidator in reference to time properly given by myself and my staff in attending to matters arising in the winding up

For my time in office as Administrator, the Creditors' Committee authorised me to draw my remuneration in reference to time properly given by myself and my staff in attending to the matters arising in the Administration up to £100,000 00 without further approval

For my time in office as Liquidator the time recorded by myself and my staff totals £105,092 08, which represents 428 67 hours at an average charge out rate of £245 16 per hour

For my current appointment as Administrator the time recorded by myself and my staff totals £292,360 75, which represents 1,082 75 hours at an average charge out rate of £270 02 per hour

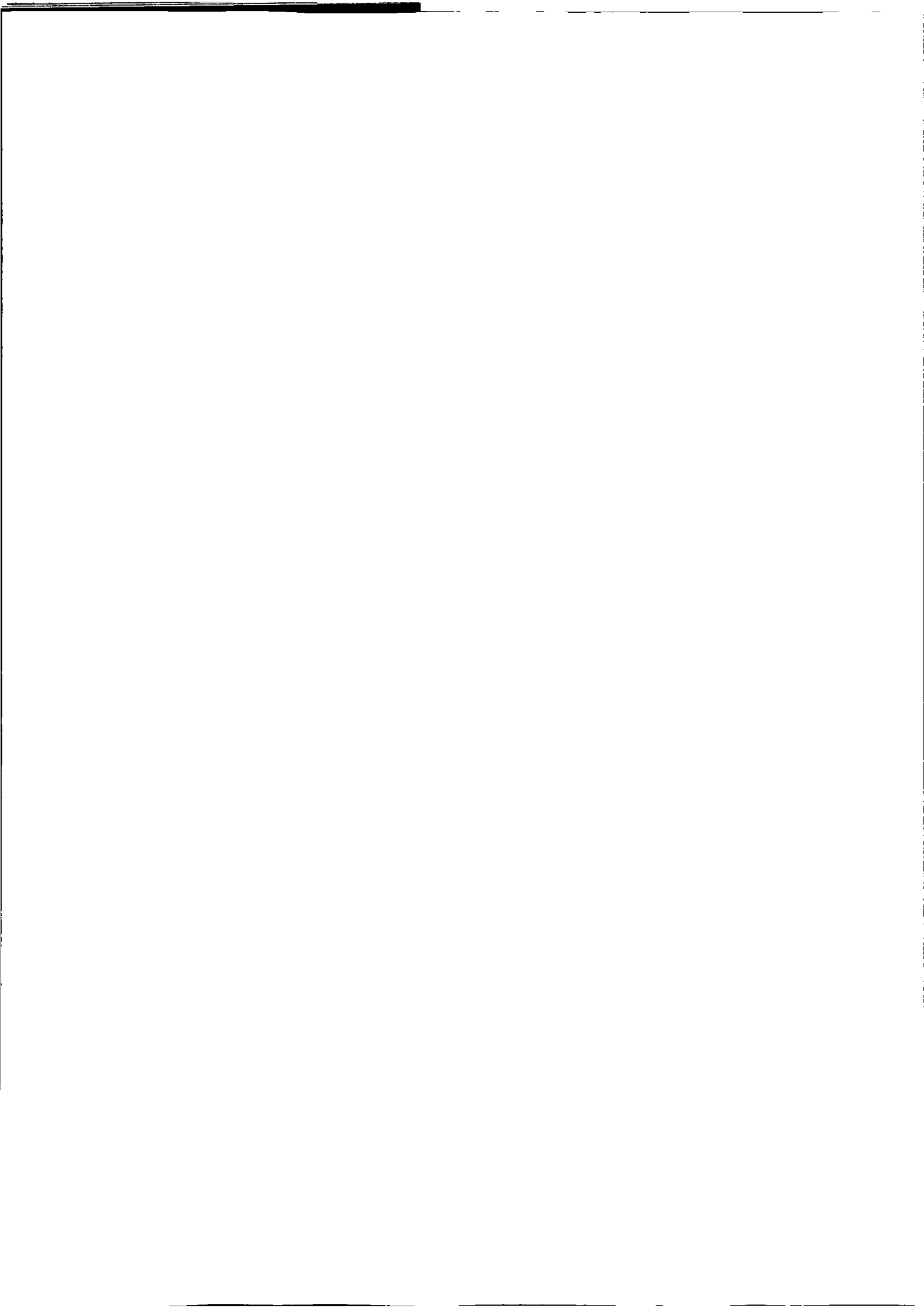
The Time Costs Analysis is at Appendix B and this provides details of the activity costs, incurred by staff grade to date, together with details of current charge out rates for both my appointment as Liquidator and subsequently Administrator

Since my last report, I can confirm that there has been a considerable effort in trying to secure a sale of the Company's assets, which has involved a lot of negotiations with appointed agents and third parties. Several meetings have also been necessary to agree required strategy and overall consensus with the current purported lien holders and other creditors claiming a form of security. This is reflected in the time cost records since my last report

I can advise that I have not drawn any fees for either appointment due to there being insufficient funds and all disbursements to date have been borne by Griffins or paid to our agents from the sale of the office furniture and Lola parts as a gesture for their ongoing financial commitment to maintain the storage of the assets and bearing all other costs involved with the realisation of assets. I have been advised that these costs currently stand at circa £148,000. In addition to these costs, the current insurance costs for the assets stands at circa £87,700

Pursuant to paragraph 69 of Schedule B1 of the Insolvency Act 1986, the Administrator acts as an agent of the Company and without personal liability





## 7 Other Matters


Whilst it is appreciated that the Administration has already benefited from a 12 month extension, it was not my intention to request a further extension. This has become necessary due to the stance a particular creditor. The position adopted fails to take into account the benefit enjoyed by creditors as a whole in the actions taken by the Administrator in collating and preserving the assets of the Company in order to meet the objectives of the Administration. I feel that although unfortunate, I was left with no alternative but to have sought a further extension of the Administration whilst the Direction of the Court in various matters is being sought.

I believe that at this late stage in the current negotiations with the potential purchaser and the proposed court application, to allow the Administration to lapse and revert back to Liquidation could prejudice the position of the Company, affect the sale process and have a detrimental effect on the entire purpose of the Administration.

Accordingly, an application was made to Court on 19 September 2011 and the Administration has now been extended for a further 12 months, which is due to expire on 05 October 2012.

I will report again following the next six months of the Administration or sooner if the Administration is complete.

Yours faithfully



**TJ Bramston**  
**Administrator**

06 October 2011







Appendix A

**A1 Grand Prix Operations Limited  
(in Administration)**

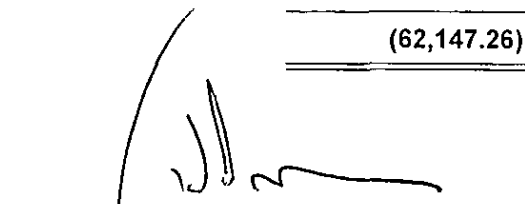
Receipts and Payments Account for the period  
06 April 2011 to 06 October 2011

Pursuant to paragraph 69 of Schedule B1 of the Insolvency Act 1986, the Administrator acts as an agent of the Company and without personal liability



**A1 Grand Prix Operations Limited**  
**(In Administration)**  
**Administrator's Abstract of Receipts & Payments**

Statement of Affairs	From 06/04/2011 To 06/10/2011	From 06/10/2009 To 06/10/2011
<b>COSTS OF REALISATION</b>		
Postage & Stationery	NIL	4 95
	NIL	(4 95)
<b>ASSET REALISATIONS</b>		
Uncertain Flight Palletts	NIL	NIL
Uncertain Flight Cases & Garrage Cabinets	NIL	NIL
Uncertain 25 Motor Racing Vehicles	NIL	NIL
Uncertain 7 Ferrari Engines	NIL	NIL
Uncertain Jigs & Chassis Moulds	NIL	NIL
Other Assets	NIL	355 00
13,387 63 Handover from Liquidator	NIL	13,387 63
Lola Spares	NIL	50,000 00
Uncertain Ferrari 599 & Maserati Quadroporte	NIL	NIL
Uncertain Wind Tunnel Model	NIL	NIL
Bank Interest Gross	1 22	3 42
Office Furniture	NIL	10,500 00
	1 22	74,246 05
<b>COST OF REALISATIONS</b>		
Specific Bond	NIL	1,704 00
Sundry Expenses	NIL	199 80
Agents/Valuers Fees (1)	NIL	8,531 85
Agents Disbursements	NIL	60,855 00
Legal Fees - Liquidation Expenses	1,391 30	13,806 46
Corporation Tax	NIL	0 05
VAT	2,689 20	2,689 20
Stationery & Postage	NIL	900 55
Courier	123 02	137 42
Storage Costs	47,061 00	47,061 00
Statutory Advertising	NIL	450 03
Registration of Hazardous Waste	NIL	30 00
Bank Charges	NIL	23 00
	(51,264 52)	(136,388 36)
<b>13,387 63</b>	<b>(51,263.30)</b>	<b>(62,147 26)</b>
<b>REPRESENTED BY</b>		
VAT Receivable		12,052 41
Bank 1 - Current		362 63
No 2 Account		(12,982 95)
Office		(40,354 21)
VAT Payable		(6,274 63)
Vat Control Account		1,184 69
		(16,135 20)
		<b>(62,147.26)</b>

  
 Timothy Bramston  
 Administrator

**A1 Grand Prix Operations Limited  
(in Administration)**

Time Analysis for the period as Liquidator from 21 July 2009 to 05 October 2009 and for the Period as Administrator from 06 October 2009 to 06 October 2011 together with details of charge out rates provided in accordance with the Statement of Insolvency Practice (SIP) 9





# Time Entry - SIP9 Time & Cost Summary

A1GRA02 - A1 Grand Prix Operations Limited  
 Project Code POST  
 From 06/10/2009 To 06/10/2011

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	126 17	10 67	0 83	239 00	376 67	113,517 75	301 37
Creditors	1 42	4 50	0 00	173 00	178 92	39 683 08	221 80
Investigations	10 75	1 08	4 92	3 58	20 33	7 073 50	347 88
Legal & Litigation	59 17	0 17	0 00	230 08	289 42	80 753 67	279 02
Realisations of Assets	2 08	12 67	0 00	202 67	217 42	51,332 75	236 10
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
<b>Total Hours</b>	<b>199 58</b>	<b>29 08</b>	<b>5 75</b>	<b>848 33</b>	<b>1,082.75</b>	<b>292,360 75</b>	<b>270 02</b>
<b>Total Fees Claimed</b>						<b>0 00</b>	
<b>Total Disbursements Claimed</b>						<b>0 00</b>	



## GRIFFINS POLICY ON CHARGEOUT RATES AND DISBURSEMENTS

### SCHEDULE OF STANDARD CHARGEOUT RATES IN RESPECT OF GRIFFINS PARTNERS AND STAFF AS AT 1 OCTOBER 2010.

In accordance with Statement of Insolvency Practice 9 "Remuneration of Insolvency Office Holders" the following hourly charge-out rates will be applied when fixing the Officeholders Remuneration

Grade of staff	Hourly Rate
Partners	£495
Managers	£300 - £350
Senior Investigators	£300 - £350
Administrators/Investigators	£180 - £280
Junior Administrators/Junior Investigators	£140 - £190
Support Staff	£70 - £170

The above rates are reviewed annually on 1 October

It is not our policy to charge for support staff (secretarial, filing, reception) unless such staff are working on an individual matter for more than 7 hours in which case the rate for an Administrator may be applied

### DISBURSEMENTS

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>1</sup> requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at

### DEFINITIONS

Practice guidance<sup>1</sup> classifies expenses into two broad categories

- *Category 1 expenses (approval not required)* – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external suppliers' invoice or published tariff of charges,
- *Category 2 expenses* Griffins' policy is not to charge for Category 2 disbursements

### CHARGING POLICY

- *Category 1 expenses (approval not required)* – all such items are re-charged to the case as they are incurred

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<sup>1</sup> Statement of Insolvency Practice 9 (England and Wales)