

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company METALDECK LIMITED	Company number 01752918
In the HCJ Manchester District Registry <small>[full name of court]</small>	Court case number 2547 of 2011


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

We (a) J M Titley & A Poxon of Leonard Curtis, Hollins Mount,
Hollins Lane, Lancashire, BL9 8DG

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

(b) Insert dates

from (b) 21 December 2011	to (b) 20 June 2012
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Signed 
Joint / Administrator(s)

Dated 20 July 2012

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	
Hollins Mount, Hollins Lane, Lancashire BL9 8DG	
Ref TB/19	Tel 0161 767 1250
DX Number	DX Exchange

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

SATURDAY





LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

METALDECK LIMITED
(IN ADMINISTRATION)

Registered Number: 01752918
Court Ref: 2547 of 2011

The High Court of Justice Manchester District Registry

**Joint Administrators' first progress report in accordance
with Rule 2.47 of the Insolvency Rules 1986**

**Report period
21 December 2011 to 20 June 2012**

20 July 2012

Leonard Curtis
Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG
Tel 0161 767 1250 Fax 0161 767 1240
recovery@leonardcurtis.co.uk
Ref KJ19/TB/NM666R/1010

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METALDECK LIMITED – IN ADMINISTRATION

**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NOT FOR PUBLICATION**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 Rule 2 47 of the Insolvency Rules 1986 to provide creditors with an update on the progress of the Administration of Metaldeck Limited ("the Company") for the period from 21 December 2011 to 20 June 2012. This is the Joint Administrators' first progress report to creditors.

2 STATUTORY INFORMATION

2 1 J M Titley and A Poxon were appointed as Joint Administrators of Metaldeck Limited in the jurisdiction of The High Court of Justice Manchester District Registry, number 2547 of 2011 on 21 December 2011. The Administration appointment was made by the director of the Company.

2 2 The Administration is being handled by the Bury office of Leonard Curtis, which is situated at Hollins Mount, Hollins Lane, Bury, Lancashire, BL9 8DG.

2 3 The principal trading address of the Company was 1 Prestwood Place, Skelmersdale, Lancashire, WN8 9QE. 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 1 Prestwood Place, Skelmersdale, Lancashire, WN8 9QE. Following the appointment, this was changed to Hollins Mount, Hollins Lane, Bury, Lancashire, BL9 8DG. The registered number of the Company is 01752918.

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.

3 2 The Proposals were approved by the general body of creditors of the Company on 27 February 2012.

3 3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.

3 4 The objective of the Administration is to realise property in order to make a distribution to one or more secured or preferential creditors.

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3 5 This objective has already been achieved as the secured creditor, The Royal Bank of Scotland PLC ("RBS"), has received payments totalling £10,000 under the terms of its security

4 PROGRESS OF THE ADMINISTRATION

4 1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 21 December 2011 to 20 June 2012

4 2 Sale of Business

As previously reported to creditors, the business and assets of the Company were sold on 23 December 2011 to Raised Floor Solutions Limited ("the Purchaser"), a company with common directors to Metaldeck Limited

The agreed sale consideration was £52,500, of which £22,500 was payable on completion followed by 3 monthly instalments of £10,000. The sale consideration is secured by way of a personal guarantee provided by Mr Andrew Graham Hewitt

The total sale consideration has now been received in full

4 3 Book debts

As previously reported, the gross value of the outstanding ledger at the date of the Joint Administrators appointment was £39,000. The Vinden Partnership assisted the Joint Administrators in collecting the outstanding book debts and the total collections amount to £32,598.41. No further realisations are anticipated in this matter.

4 4 Intercompany Loan Account

At the date of Administration the books and records of the Company indicated that there was an overdrawn intercompany loan account amounting to c£15k between the Company and Raised Floor Solutions Limited ("RFS"). This outstanding amount is currently being investigated by the Joint Administrators, any further realisations will be communicated to creditors in due course.

5 ASSETS STILL TO BE REALISED

5 1 There are no other assets to be realised in this matter

6 INVESTIGATIONS

6 1 Following their appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.

6 2 That assessment did not identify any possible further realisations. In addition, the Joint Administrators concluded that no further investigations were required. If, however, any creditor is aware of any particular matters which they consider requires investigation, they should please send full details to this office at the address given at the front of this report.

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6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority

7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

Pre-Administration Costs

7.1 On 27 February 2012, the secured creditor 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	Pre-appointment advice and assessment of the financial position	6,965 00
Cobbetts LLP	Appointment documentation, review of security and sale agreement	6,302 70
Sanderson Weatherall	Valuation of physical assets	2,000 00
The Vinden Partnership	Valuation of retention ledger	5,000 00

These costs have now been paid and are detailed in the receipts and payments account attached at Appendix B

Joint Administrators' Remuneration

7.2 On 27 February 2012, the secured creditor 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 time charged by the Joint Administrators' for the period of this report amounts to £39,487. This represents 183.1 hours at an average rate of £215.66 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.

7.4 Administrators' fees drawn to date in respect of these time costs total £28,000 plus VAT.

Joint Administrators Disbursements

7.5 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 paid by LC £	Amount recovered from case £	Amount still to be recovered from case £
Companies House	Company Searches	10 00	10 00	-
Court	Court Fee	35 00	35 00	-
AUA Insolvency Risk Services	IP Bond	135 00	135 00	-
Business Tax Centre	Client Identificabon Checks	30 00	25 00	5 00
The Vinden Partnership	Book Debt Collection Fee	19,479 08	19,479 08	-
Courts Advertising	Statutory Advertising	278 10	278 10	-
Cobbetts LLP	Solicitor's Disbursements	383 50	383 50	-
Pelstar Computing	Software Licence	75 00	75 00	-
The Creditor Gateway	Report Hosting Fees	20 00	20 00	-
RSM Tenon	Accountant's Fees	4 500 00	4,500 00	-

Category 2 disbursements

Charged by	Services provided	Total amount paid by LC £	Amount recovered from case £	Amount still to be recovered from case £
Leonard Curtis	Mileage at 45p per mile	9 00	9 00	-

Expenses of the Administration

7.6 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 yet 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
		£	£	£	£
Company Searches	Companies House	10 00	10 00	10 00	-
Court Fee	Court	35 00	35 00	35 00	-
IP Bond	AUA Insolvency Risk Services	135 00	135 00	135 00	-
Client Identification Checks	Business Tax Centre	30 00	30 00	25 00	5 00
Book Debt Collection Fee	The Vinden Partnership	19,479 08	19,479 08	19,479 08	-
Statutory Advertising	Courts Advertising	278 10	278 10	278 10	-
Solicitor's Disbursements	Cobbetts LLP	383 50	383 50	383 50	-
Software Licence	Pelstar Computing	75 00	75 00	75 00	-
Report Hosting Fees	The Creditor Gateway	20 00	20 00	20 00	-
Accountant's Fees	RSM Tenon	4,500 00	4,500 00	4,500 00	-
Staff Mileage	Leonard Curtis	9 00	9 00	9 00	-
TOTAL		24,954 68	24,954 68	24,949 68	5 00

7.7 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. Please note that the firm's charge-out rates were changed on 1 January 2012.

7.8 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 13 August 2012.

7.9 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 ESTIMATED OUTCOME FOR CREDITORS

8.1 Secured Creditors

The Royal Bank of Scotland PLC ("RBS")

RBS holds security in the form of a fixed and floating charge debenture over the Company's undertaking and assets created on 9 May 2005 and registered on 19 May 2005.

At the date of Administration, the Company had an outstanding loan with RBS in the sum of £513,000. The Company's bank account was in credit in the sum of £228,000 and therefore the two amounts have been offset and the net amount owed to RBS is £285,000. A sum of £10k has been distributed to RBS under the terms of its fixed charge. It is anticipated that no further funds will be available to distribute to RBS.

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. Four of the Company's employees were made redundant by the directors prior to the date of Administration. A claim in the sum of £11,102.77 has been received.

Based on current information, it is unlikely that after the costs of the Administration are taken into account there will be sufficient funds available to allow a distribution to preferential creditors.

8.3 Prescribed Part

As it is anticipated that there will be insufficient funds to provide a dividend under the floating charge, there will not be a requirement to set aside a prescribed part in this case.

8.4 Unsecured Non-Preferential Claims

At present, 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.

9 EXTENSIONS TO THE ADMINISTRATION

9.1 The appointment of Administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.

9.2 In certain circumstances it may be necessary to extend the Administrators' term of office. In the circumstances of this case, this may be done for a specified period not exceeding six months with the consent of

- each secured creditor of the Company

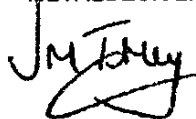
9.3 The appropriate body of creditors will be contacted in due course should an extension be required.

10 NEXT REPORT

10.1 The Joint Administrators are required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

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
METALDECK LIMITED



J M TITLEY
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

It is proposed that

- 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 J M Titley and/or A Poxon 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 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
- 5 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
- 6 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 J M Titley and/or A Poxon 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
- 7 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

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
21 DECEMBER 2011 TO 20 JUNE 2012**

	Estimated to realise	This period	Cumulative
	£	£	£
RECEIPTS			
Goodwill and Intellectual Property	10,000 00	10,000 00	10,000 00
Office Furniture and Equipment	3,000 00	3,000 00	3,000 00
Plant and Machinery	23,000 00	23,000 00	23,000 00
Stock	3,000 00	3,000 00	3,000 00
Retention Ledger	13,500 00	13,500 00	13,500 00
Debtor Monies	-	32,598 41	32,598 41
Rates Refund	-	1,481 24	1,481 24
Court Fee Refund	-	1,165 00	1,165 00
Balance at Bank	-	280 76	280 76
TOTAL	52,500.00	88,025 41	88,025 41
PAYMENTS			
Category 1 disbursements		608 50	608 50
Category 2 disbursements		9 00	9 00
Book Debt Collection Fee		19,479 08	19,479 08
Administrators Remuneration		28,000 00	28,000 00
Pre-Appointment Administrators' Fee		6,965 00	6,965 00
Statutory Advertising		278 10	278 10
Pre-Appointment Professional Fees		13,302 70	13,302 70
Software Licence		75 00	75 00
Accountants' Fees		4,500 00	4,500 00
Secured Creditors		10,000 00	10,000 00
TOTAL		83,217 38	83,217 38
BALANCE IN HAND			4,808.03

METALDECK LIMITED – IN ADMINISTRATION

APPENDIX C

SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 21 DECEMBER 2011 TO 20 JUNE 2012

	Director		Senior Manager		Manager 1		Manager 2		Administrator 1		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	-	-	80	3,080.00	20	660.00	5	142.50	6	138.00	103	1,390.50	214	5,411.00	252.85
Receipts & Payments	-	-	-	-	-	-	-	-	-	-	107	1,444.50	107	1,444.50	135.00
Insurance	-	-	-	-	-	-	-	-	-	-	6	81.00	6	81.00	135.00
Assets	30	1,185.00	195	7,070.00	-	-	5	142.50	-	-	267	3,592.50	497	11,990.00	241.25
Liabilities	-	-	-	-	-	-	-	-	2	46.00	192	2,574.00	194	2,620.00	135.05
Landlords	-	-	10	385.00	-	-	-	-	-	-	-	-	10	385.00	385.00
Debenture Holder	-	-	10	385.00	-	-	-	-	-	-	-	-	10	385.00	385.00
General Administration	5	212.50	-	-	-	-	5	142.50	-	-	162	2,178.00	172	2,533.00	147.27
Appointment	15	592.50	50	1,855.00	-	-	-	-	-	-	102	1,356.00	167	3,803.50	227.75
Planning & Strategy	-	-	-	-	-	-	-	-	-	-	19	238.50	19	238.50	125.53
Post App. Creditors' Meetings	7	297.50	93	3,580.50	40	1,320.00	-	-	-	-	198	2,673.00	338	7,871.00	232.87
Investigations	10	425.00	45	1,732.50	-	-	-	-	-	-	42	567.00	97	2,724.50	280.88
Total	67	2,712.50	483	18,088.00	60	1,980.00	15	427.50	8	184.00	1,198	16,095.00	1,831	39,487.00	
Average Hourly Rate (£)		404.85		374.49		330.00		285.00		230.00		134.35		215.66	

All Units are 6 minutes

DESCRIPTION OF TIME SPENT BY CATEGORY

Statutory and Review

This involved undertaking regular reviews of the case file to ensure all matters were being progressed and statutory requirements were met

Receipts and Payments

A proportion of time has been spent ensuring the receipts and payments during the Administration period are properly recorded

Insurance

A small amount of time was incurred in calculating the Insolvency Practitioners' bond which was required in this case

Assets

A significant proportion of time was incurred in liaising with the Vinden Partnership in respect of the book debt collections. Time was also spent in obtaining refunds from the court and in respect of business rates

Liabilities

A proportion of time was spent dealing with queries from creditors and logging claims received

Landlords

A proportion of time was spent in dealing with the landlord and associated claim

Debenture Holder

Time was spent corresponding with RBS and providing reports on the progress of the Administration generally

General Administration

This includes engaging in general correspondence

Appointment

This involved notifying creditors and all relevant parties of our appointment as administrators in line with statutory requirements. This also includes time spent dealing with various other administrative appointment formalities

Planning and Strategy

Time was spent formulating an appropriate strategy for the administration following the Administrators' appointment

Post Appointment Creditors' Meetings

Time was spent preparing and reviewing the report incorporating the Joint Administrators' proposals, which was circulated to all known creditors. Time was also spent notifying creditors of the deemed approval of the aforementioned proposals

METALDECK LIMITED – IN ADMINISTRATION

Investigations

Significant investigations have been conducted as regards the Company's financial affairs to identify any antecedent transactions. In addition, further investigations have been undertaken as regards the conduct of the Company's directors. A confidential report has been submitted to the Department of Business Innovation and Skills.

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. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

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

	Standard	Complex
	£	£
Director	425	531
Senior Manager	385	481
Manager 1	330	412
Manager 2	285	356
Administrator 1	230	287
Administrator 2	210	262
Administrator 3	190	237
Administrator 4	135	168
Support	0	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.

STATEMENT OF CLAIM FORM

Date of Administration order 21 December 2011

Name of creditor' _____

Address of creditor _____

Gross amount of claim' _____
(ie including VAT)

Amount of VAT _____

Details of any document by _____
reference to which the debt can be
substantiated' _____
(eg invoices)

Particulars of how and when debt _____
incurred: _____

Particulars of any security held, the _____
value of the security and the date it
was given _____

Signature of creditor or person _____
authorised to act on his behalf.

Name in BLOCK CAPITALS: _____

Position with or relation to creditor' _____