

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Pressurecast Products Limited

Company number 00929330

In the Bristol District Registry <small>(full name of court)</small>

Court case number 259 of 2011

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

I/We (a)
Paul Boyle & John Sallabank
Harrisons Business Recovery and Insolvency Limited
4 St Giles Court
Southampton Street
Reading
RG1 2QL

*Delete as applicable

attach a copy of *my/our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 15 April 2011

Signed



Joint / Administrator(s)

Dated

15 April 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

Paul Boyle
Harrisons Business Recovery and Insolvency Limited
4 St Giles Court
Southampton Street
Reading
RG1 2QL

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

SATURDAY



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COMPANIES HOUSE

**Pressurecast Products Limited
In Administration**

**Report and Joint Administrators' Proposals
to Creditors Pursuant to Paragraph 49
of Schedule B1 of the Insolvency Act 1986**

Pressurecast Products Limited – In Administration
Report and Joint Administrators' Proposals

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Pressurecast Products Limited – In Administration

Report and Joint Administrators' Proposals

1. GLOSSARY

Administrators	Paul Boyle and John Sallabank of Harrison's Business Recovery and Insolvency Limited ('Harrison's'), 4 St Giles Court, Southampton Street, Reading, RG1 2QL.
Appointors	Neal Errington of Factor 21 Plc ('Factor 21'), Ayres House, Station Road, Wallingford, OX10 0XF.
Administration Application.	The Administration documentation was filed at the Bristol District Registry on 25 February 2011 and allocated Court Number 259 of 2011.
Company.	Pressurecast Products Limited (Company registered number 00929330) ('the Company')

The references in this report to sections, paragraphs or rules are to the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency (Amendment) Rules 2003

2. STATUTORY INFORMATION

Date of Incorporation.	22 March 1968
Registered Office	4 St Giles Court Southampton Street Reading RG1 2QL
Former Registered Office:	Bevans 46 Essex Street London WC2R 3JF
Trading Address	Harper Street Presteigne Powys LD8 2AL
Nature of Business	Fabricated metal products

Company Directors	Appointed	Resigned
Francis Sachs	25 May 2010	-
Peter Neagle	3 July 2007	21 May 2010
Mark Nunan	26 February 2010	18 May 2010
Pat Walsh	9 November 2001	3 July 2007
Gerald Demirjian	9 July 1996	3 July 2007
Anthony Johnson	2 February 1996	3 July 2007
Donie Keane	9 July 1996	9 November 2001
Edward Gregory	Pre 4 January 1992	9 July 1996
David Weatherley	Pre 4 January 1992	9 July 1996

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Company Secretary		Appointed	Resigned
	John Bailey	3 July 2007	-
	Pat Walsh	21 July 2001	3 July 2007
	Matsack UK Limited	9 July 1996	21 July 2001
	David Weatherley	Pre 4 January 1992	9 July 1996

Shareholdings 1,000 ordinary £1 shares issued and fully paid up and held as per the list attached at Appendix III

Charges Register: A debenture comprising of a fixed and floating charge over all property and assets in favour of Factor 21 was created on 14 May 2010 and registered at Companies House on 18 May 2010.

A further debenture comprising of a fixed and floating charges over all property and assets in favour of Kaye Engineering Limited was created on 18 May 2010 and registered at Companies House on 3 June 2010

3. INTRODUCTION

We, Paul Boyle and John Sallabank of Harrisons, were appointed as Joint Administrators of the Company on 25 February 2011 upon Neal Errington of Factor 21 filing a Notice of Appointment of an Administrator at the Bristol District Registry in accordance with Paragraph 14 of Schedule B1 of the Insolvency Act 1986

We can advise that pursuant to Paragraph 100(2) of Schedule B1 Insolvency Act 1986 the functions of the Joint Administrators are being exercised by either or both of the Administrators

In accordance with Paragraph 49 of Schedule B1 Insolvency Act 1986 we, the Joint Administrators, now set out our proposals for achieving the purpose and conduct of the Administration

This report also includes certain information for creditors that is a requirement under Rule 2.33 of the Insolvency Rules 1986.

4. BACKGROUND AND EVENTS LEADING TO THE ADMINISTRATION

The Company was incorporated on 22 March 1968 and was purchased by Raycott Limited in 2007 at which time Peter Neagle ('PN') was appointed sole Director. The Company's principal trading activity was the manufacture of zinc die casting for the automotive, construction and leisure industries and traded with customers who placed regular and long term orders that ran for 4-5 years.

The Company traded from Harper Street, Presteigne, Powys, which was occupied under a sublease from Kaye Engineering Limited t/a Kaye Presteigne ('KP') paying a monthly rental of £2,000. KP was an associated company by way of common director and traded at these premises providing die casting of aluminium

We are informed that initial trading proved successful and the Company benefited from the contacts made through the trade of KP

Pressurecast Products Limited – In Administration

Report and Joint Administrators' Proposals

4. BACKGROUND AND EVENTS LEADING TO THE ADMINISTRATION CONT...

The Company was initially financed through a factoring agreement with Close Invoice Finance Limited but transferred its facility to Factor 21 in May 2010. We are advised that no further loans or overdraft facilities were required to assist with trading.

We have become aware that at the beginning of 2009 KP were experiencing financial difficulties and had fallen into arrears with HM Revenue and Customs ('HMRC'). At this time its factoring facility had dramatically reduced resulting in an adverse effect on its cashflow. Following the presentation of a Winding Up petition by HMRC in November 2009, KP was placed into Administration by its chargeholder, Bibby Financial Services Limited.

KP continued to trade in the short term and the Administrators allowed the Company to continue occupation and trading from the premises. However, the Administrators of KP increased, without authorisation, the monthly rental payments to £8,000 and also refused to grant a license to occupy to the Company. The combination of the Administration of KP and the downturn in the automotive industry had a detrimental impact on the Company's trade.

After appointment, the Administrators of KP requested payment of the inter-company sums and debt totalling £195,748, which included rent arrears. An agreement was reached that the sums would be paid by instalments and a debenture was granted to KP as security. The Company was subsequently unable to service this agreement.

Since the Company did not have surety of tenure and were unable to continue trading at the premises, in March 2010 an agreement was reached whereby B S C (Diecasting) Limited agreed to complete the Company contracts to allow for debts to be collected. At this time the staff were all transferred to Raycott Limited, who purchased the business and assets of KP, thereby removing any employee liability. In addition PN sold 80% of his share in Raycott Limited, the Company's shareholder, to Mark Nunan ('MN') although he retained control and the casting vote in all decisions for the Company for the time being.

In February 2011, a petition was presented for the Winding Up of the Company by KP for non payment of the inter-company sums outstanding. Concerned about collecting the balance of sums outstanding to it, Factor 21 reviewed its agreement and lending to the Company and concluded that as a result of the petition it was in breach of its funding agreement. With the intention of protecting its position Factor 21, after having discussions with MN, made a final demand of the sums outstanding. The Company did not settle these and in accordance with the terms of its debenture, Factor 21 immediately sought to appoint an Administrator. Consequently on 25 February 2011 a Notice of Appointment of an Administrator was filed at Bristol District Registry by Factor 21.

5. PURPOSE AND PROGRESS OF THE ADMINISTRATION

5.1 Purpose of the Administration

The Company could not be saved as a going concern in accordance with Paragraph 3(1)(a), since there were insufficient funds available to finance trading the Company or to enable a contribution based voluntary arrangement. Paragraph 3(1)(b) does not apply since there are insufficient funds to enable a distribution to unsecured creditors.

The purpose of the Administration, in accordance with Paragraph 3(1)(c) is to realise property in order to make a distribution to one or more secured or preferential creditor.

Pressurecast Products Limited – In Administration

Report and Joint Administrators' Proposals

5. PURPOSE AND PROGRESS OF THE ADMINISTRATION CONT...

5.2 Progress of the Administration

5.2.1 Receipts and Payments Account

No receipts or payments have been transacted since the commencement of the proceedings on 25 February 2011

5.2.2 Book Debts

At the commencement of the proceedings the books and records of the Company showed book debts outstanding totalling £2,933. A prudent provision of 15% has been made for the purposes of the Estimated Statement of Affairs, since the sums are aged, providing an estimated to realise value of £2,493.

These debts are subject to a fixed charge in favour of Factor 21, which is owed the sum of £6,644 and as such, no surplus is anticipated to become available

5.2.3 Secured Creditor

A debenture consisting of fixed and floating charges over all tangible and intangible assets of the Company was granted to Factor 21 on 14 May 2010 and registered at Companies House on 18 May 2010.

A further debenture consisting of fixed and floating charges over all property and assets in favour of Kaye Engineering Limited was created on 18 May 2010 and registered at Companies House on 3 June 2010

Section 176A of the Insolvency Act 1986 provides that, where the Company has created a floating charge after 15 September 2003, the Administrator must make a Prescribed Part of the Company's Net Property available for the unsecured creditors and not distribute it to the floating chargeholder except in so far as it exceeds the amount required for the satisfaction of unsecured claims. Net Property means the amount which would, were it not for this provision, be available to floating chargeholders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realisation). The Prescribed Part is calculated by reference to a sliding scale as follows: -

- 50% of the first £10,000 of Net Property;
- 20% of Net Property thereafter,
- up to a maximum amount to be made available of £600,000

An Administrator will not be required to set aside the Prescribed Part if: -

- the Net Property is less than £10,000 and he thinks the cost of distributing the Prescribed Part would be disproportionate to the benefit; (Section 176A(3)), or
- he applies to the Court for an order on the grounds that the cost of distributing the Prescribed Part would be disproportionate to the benefit and the Court orders that the provision shall not apply (Section 176A(5)).

In accordance with Rule 2.33 of the Insolvency Rules 1986, we would advise that since the floating charge was created after 15 September 2003 the Prescribed Part will be applied pursuant to Section 176A of the Insolvency Act 1986 and made available to unsecured creditors, as detailed in the attached Estimated Statement of Affairs.

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5. PURPOSE AND PROGRESS OF THE ADMINISTRATION CONT..

In accordance with Rule 2.33 of the Insolvency Rules 1986, we would advise that, since net property is estimated to be below the prescribed minimum of £10,000 and we consider that the cost of distribution will be disproportionate to the benefit, there will be no Prescribed Part pursuant to Section 176A of the Insolvency Act 1986 available to unsecured creditors. However, we reserve our position generally in this regard should circumstances materially change.

5.3 Other Matters

5.3.1 Joint Administrators' Remuneration & Disbursements

In accordance with Rule 2.106(5A) our remuneration and disbursements will be agreed with Factor 21. A schedule of our time costs to date and a guide to Administrators' remuneration is attached at Appendix III, for your information.

5.3.2 Pre-Administration Costs

During the pre-appointment period costs amounting to £525 were incurred as a result of preparing and issuing the relevant documentation for filing at Court on behalf of Factor 21.

Time Costs Incurred

Grade of Staff	Hours	Time Cost £	Average Hourly Rate £
Director			
Managers	0.7	94.50	
Other Senior Professionals			
Assistants & Support Staff	3.2	430.50	
Total	3.9	£525.00	£134.62

5.3.3 EC Regulations

EC Regulations apply. The proceedings are main proceedings as defined by Article 3 of the EC Regulation.

5.3.4 Relevant information pursuant to Rule 2.33 of the Insolvency Rules 1986

No trading has taken place during the Administration as a result of the prompt sale and therefore the terms of Rule 2.33(2)(o)(ii) do not apply.

5.3.5 Dividend Prospects

It is apparent from the information available at this time that there is no possibility of there being sufficient funds available to enable a distribution to the unsecured creditors.

Pressurecast Products Limited – In Administration

Report and Joint Administrators' Proposals

6. STATEMENT OF AFFAIRS

In accordance with Paragraph 47(1) of Schedule B1 of the Insolvency Act 1986 the Directors have been asked to provide us with a Statement of Affairs as at 25 February 2011. At the date of writing this report the Statement of Affairs has not yet been received and no explanation has been given in respect of this non-compliance.

We have therefore prepared an Estimated Statement of Affairs as at 25 February 2011 for the purposes of this report which is attached at Appendix I.

7. CREDITORS' MEETING

Since there is no possibility of there being sufficient funds available to enable a distribution to the unsecured creditors it is not our intention to call a meeting of creditors at this time, in accordance with Paragraph 52(1)(b) of Schedule B1 of the Insolvency Act 1986.

However, in accordance with Paragraph 52(2) a meeting of creditors shall be held if, within 8 business days of the date of this report, creditors whose debts amount to at least 10% of the total debts of the Company request it. Therefore, should you require a meeting of creditors to be held please contact us upon receipt of this report, providing a statement of the purpose of the proposed meeting.

If no meeting is requisitioned by creditors, the proposals set out below will be deemed to have been approved by creditors after the expiry of 8 business days of the date of this report.

8. JOINT ADMINISTRATORS' PROPOSALS

We the Joint Administrators propose the following -

- 1 Should the Joint Administrators believe that it is appropriate to do so and/or beneficial to realisations and/or in satisfaction of the sums due to the secured creditor, they be authorised to extend the term of office for 6 months from the automatic end date of 25 February 2012, in accordance with Paragraph 76(2) of Schedule B1 of the Insolvency Act 1986.
- 2 Since there are insufficient assets available to enable a distribution to the unsecured creditors the Joint Administrators shall conclude the Administration pursuant to Paragraph 84 of Schedule B1 of the Insolvency Act 1986, moving from Administration to dissolution. This will be carried out once all matters have been finalised.
- 3 In accordance with Paragraph 98 of Schedule B1 of the Insolvency Act 1986 the Joint Administrators are discharged from any liability with regards to the Company and granted their release from office when the proceedings come to an end and upon the filing of the appropriate documentation at Companies House.

Pressurecast Products Limited – In Administration

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9. CONCLUSION

Unless creditors request otherwise, once realisations and investigations are concluded the proceedings are to be concluded by dissolution, proposal 1 as stated above should take no longer than anticipated

If you have any questions in relation to this report please do not hesitate to contact our Reading office



Paul Boyle & John Sallabank
Joint Administrators

15 April 2011

Insolvency Act 1986

Pressurecast Products Limited
Estimated Statement Of Affairs as at 25 February 2011

	Book Value £	Estimated to Realise £	£
ASSETS			
Book Debts	2,933 00	2,493 00	
Factor 21 Plc	(6,644 00)	(6,644 00)	
Deficiency c/d		(4,151 00)	
			<u>NIL</u>
LIABILITIES			
PREFERENTIAL CREDITORS -			
			<u>NIL</u>
			NIL
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003			
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS			
Kaye Engineering Ltd		145,748 00	
			<u>145,748 00</u>
			(145,748 00)
Estimated prescribed part of net property where applicable (to carry forward)			<u>NIL</u>
			(145,748 00)
DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003			
			<u>NIL</u>
			(145,748 00)
Estimated prescribed part of net property where applicable (brought down)			<u>NIL</u>
			(145,748 00)
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Deficiency b/d		4,151 00	
Trade & Expense Creditors		959 00	
Occupational Rent		8,000 00	
HM Revenue & Customs (VAT)		2,087 00	
HM Revenue & Customs (CT)		100 00	
			<u>15,297 00</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F C's post 14 September 2003)			<u>(161,045 00)</u>
			(161,045 00)
Issued and called up capital			
Ordinary Shareholders		1,000 00	
			<u>1,000 00</u>
TOTAL SURPLUS/(DEFICIENCY)			<u><u>(162,045 00)</u></u>

Harrisons Business Recovery and Insolvency Limited
Pressurecast Products Limited
B - Company Creditors

Key	Name	Address	£
CF00	Factor 21 Plc	Ayres House, Station Road, Wallingford, Oxon, OX10 0XF	6,644 00
CI00	Fisher Partners	Acre House, 11-15 William Road, London, NW1 3ER	8,000 00
CH00	H M Customs & Excise	Southern Region Debt Management, Compass House, Romsey Road, Maybush, Southampton, SO16 4HP. (For the attention of Des Callow)	0 00
CH02	HM Revenue & Customs	Enforcement and Insolvency Service, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	0 00
CH04	HM Revenue & Customs (CT)	Cumberland, Glasgow	100 00
CH01	HM Revenue & Customs (ICHU)	Room BP3202, Warkworth House, Benton Park View, Longbenton, Newcastle Upon Tyne NE1ZZ	0 00
CH03	HM Revenue & Customs (VAT)	National Insolvency Unit, Queens Dock, Liverpool, L74 4AA	2,087 00
CK00	Kaye Engineering Limited (In Administration)	C/o Fisher Partners, Acre House, 11-15 William Street, London, NW1 3ER	145,748 00
CP00	Powdertech (Bicester) Ltd	27 Murdock Road, Bicester, Oxon, OX26 4PP	958 00
CP01	Powys County Council	Countu Hall, Llandrindod Wells, Powys, LD1 5 LG	1 00
10 Entries Totalling			163,538 00

Pressurecast Products Limited
C - Shareholders

Key	Name	Address	Pref	Ord	Other	Total
HR00	Raycott Limited	Bevans 46, Essex Street, The Strand, London, WC2R 3JF	0	1,000	0	1,000
1 Entries Totalling						1,000

Signature _____

PRESS

Pressurecast Products Limited

SIP 9 - Time & Cost Summary

Period 25/02/11 15/04/11

Time Summary

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	0 00	0 00	0 60	10 60	11 20	1,445 00	129 02
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	0 00	0 00	1 00	1 00	125 00	125 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Brought forward time	0 00	0 00	0 00	0 00	0 00	0 00	0 00
In House Legal	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	0 00	0 00	0 60	11 60	12 20	1,570 00	128 69
Total Fees Claimed						0 00	

1. HARRISONS BUSINESS RECOVERY AND INSOLVENCY LIMITED FEE POLICY

Charge out rates and policy regarding staff allocation, support staff, the use of subcontractors and the recharge of disbursements

The following information relating to the policy of Harrisons is considered to be relevant:-

2. CHARGE OUT RATES

With effect from 1 April 2009 the following hourly charge out rates apply to all assignments undertaken by Harrisons:-

	£
Directors	300-400
Managers	200-275
Senior Case Supervisors	175-200
Case Supervisors	100-160
Assistants	75-100

3. STAFF ALLOCATION, SUPPORT STAFF & THE USE OF SUBCONTRACTORS

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 charged. Details of any subcontractor(s) used are given in the attached report.

4. PROFESSIONAL ADVISORS

Details of any professional advisor(s) used are given in the attached report. Unless otherwise indicated the fee arrangement for each will be 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 will be 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 geographical location.

5. DISBURSEMENTS

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursements". Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typical for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses. Included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Where we propose to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the insolvency practitioners' remuneration. Such expenditure is referred to as a "category 2 disbursement". The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:-

Photocopying	15p a sheet
Letterhead	12p a sheet
Fax	40p a sheet
Mileage	60p per mile
Meeting Room	£50
Registered Office Fee	£60 per annum
Document Storage	Storage charge of £3 per box per quarter

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES ENGLAND AND WALES

1 Introduction

1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees, explain the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.

2 The nature of administration

2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective -

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable, realising property in order to make a distribution to secured or preferential creditors.

3 The creditors' committee

3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's remuneration

4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed

- as a percentage of the value of the property which the administrator has to deal with,
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the administrator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the administrator.

It is for the creditors' committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters -

- the complexity (or otherwise) of the case,
- any responsibility of an exceptional kind or degree which falls on the administrator,
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the property which the administrator has to deal with.

4.2 If there is no creditors' committee, or the committee does not make the requisite determination (and provided the circumstances described in paragraph 4.3 do not apply), the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator, but the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.

In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of each secured creditor of the company, or if the administrator has made or intends to make a distribution to preferential creditors -

- each secured creditor of the company, and
- preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,
- having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

5 Review of remuneration

5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 Approval of pre-administration costs

6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Details of such costs must be included in the administrator's proposals.

6.2 Where there is a creditors' committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator's remuneration.

6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.

7 What information should be provided by the administrator?

7.1 When seeking remuneration approval

7.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on -

- the nature of the approval being sought,
- the stage during the administration of the case at which it is being sought, and
- the size and complexity of the case.

7.1.2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principles, which are likely to be involved on the case.

7.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Manager
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain -

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

7.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

7.2 After remuneration approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 8.1 below). Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 7.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 7.1.4 above regarding work which has been sub-contracted out.

7.3 Disbursements and other expenses

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements, but there is provision for the creditors to challenge them, as described below. Professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

8 Progress reports and requests for further information

8.1 The administrator is required to send a progress report to creditors at 6-monthly intervals. The report must include -

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),

- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period,
- the date of approval of any pre-administration costs and the amount approved,
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the administrator's remuneration and expenses

8.2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) 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

8.3 The administrator must provide the requested information within 14 days, unless he considers that -

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information. Any creditor may apply to the court within 21 days of the administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information

9 Provision of information – additional requirements

The administrator must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company

The information which must be provided is -

- the total number of hours spent on the case by the administrator or staff assigned to the case,
- for each grade of staff, the average hourly rate at which they are charged out,
- the number of hours spent by each grade of staff in the relevant period

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office. The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office

10 What if a creditor is dissatisfied?

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

10.2 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 him) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing

10.3 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 as an expense of the administration

11 What if the administrator is dissatisfied?

11.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration

12 Other matters relating to remuneration

12.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors

12.2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court

12.3 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made

12.4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them

13 Effective date

This guide applies where a company enters administration on or after 6 April 2010, except where

- the application for an administration order was made before that date, or
- where the administration was preceded by a liquidation which commenced before that date

**In the matter of Pressurecast Products Limited
In Administration
and in the matter of The Insolvency Act 1986**

Date of Administration 25 February 2011

1.	Name of Creditor	
2.	Address of Creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration (see note)	£
4.	Details of any document by reference to which the debt can be substantiated. [Note the administrator may call for any document or evidence to substantiate the claim at his discretion]	
5.	If the total amount shown above includes Value Added Tax, please show:- (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6.	If total amount above includes outstanding uncapitalised interest please state amount	£
7.	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9.	Particulars of how and when debt incurred	
10.	Particulars of any security held, the value of the security, and the date it was given	£
11.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	
	Date	