

# 2.17B

The Insolvency Act 1986

## Statement of administrator's proposals

Name of Company
Romag Holdings Plc

Company number
2820227

In the High Court of Justice, Leeds District Registry (full name of court)
--

Court case number
496 of 2011

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

I/We (a)  
Daniel Francis Butters  
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Newcastle upon Tyne  
NE1 2HF

\*Delete as  
applicable

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

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

(b) 16 May 2011

Signed

  
Joint / Administrator(s)

Dated

16 May 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

The contact information that you give will be visible to researchers of the public record

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DX Number

Con

THURSDAY



A03

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

**ROMAG HOLDINGS PLC**

**COURT CASE NO 496 of 2011**

**ROM REALISATIONS LIMITED**  
**(formerly Romag Limited)**

**COURT CASE NO 497 of 2011**

**SHK LIMITED**

**COURT CASE NO. 498 of 2011**

**ALL IN ADMINISTRATION ("the Companies" or "the Group")**

**JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS PURSUANT TO PARAGRAPH 49 OF  
SCHEDULE B1 OF THE INSOLVENCY ACT 1986 (AS AMENDED)**

**16 May 2011**

**Daniel Francis Butters, William Kenneth Dawson and Neil Matthews**  
**Joint Administrators of the Companies - In Administration**

**Deloitte LLP**  
**One Trinity Gardens,**  
**Broad Chare,**  
**Newcastle upon Tyne,**  
**NE1 2HF**

**Daniel Francis Butters, William Kenneth Dawson and Neil Matthews were appointed Joint Administrators of Romag Holdings plc, ROM Realisations Limited and SHK Limited on 4 April 2011. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability.**

**Disclaimer Notice**

- This Statement of Proposals ("Proposal" or "Proposals") has been prepared by Daniel Francis Butters, William Kenneth Dawson and Neil Matthews, the Administrators of Romag Holdings plc, ROM Realisations Limited and SHK Limited, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 (as amended) to lay before creditors a statement of their proposals for achieving the purposes of the Administrations and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This Proposal has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in any of the Companies listed above.
- Any estimated outcomes for creditors included in this Proposal are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.  
  
Any person that chooses to rely on this Proposal for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 (as amended) does so at their own risk. To the fullest extent permitted by law, the Administrators do not assume any responsibility and will not accept any liability in respect of this Proposal.
- The Administrators act as agents for Romag Holdings plc, ROM Realisations Limited and SHK Limited and contract without personal liability. The appointments of the Administrators are personal to them and, to the fullest extent permitted by law, Deloitte LLP does not assume any responsibility and will not accept any liability to any person in respect of this Proposal or the conduct of the Administrations.
- All licensed Insolvency Practitioners of Deloitte LLP are licensed in the UK to act as Insolvency Practitioners.

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## ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used

"the Act"	Insolvency Act 1986 (as amended)
"the Rules"	Insolvency Rules 1986 and the Insolvency (Amendment) Rules 2010
"the Administrators"	Daniel Francis Butters, William Kenneth Dawson and Neil Matthews
"Deloitte"	Deloitte LLP
"the Companies"	Romag Holdings plc, ROM Realisations Limited and SHK Limited (all in Administration)
"the Group"	Romag Holdings plc, ROM Realisations Limited and SHK Limited (all in Administration)
"the Bank"	Lloyds Banking Group plc
"the Court"	Leeds District Registry
"PLC"	Romag Holdings Plc
"ROM"	ROM Realisations Limited (formerly Romag Limited)
"SHK"	SHK Limited
"Gentoo"	Gentoo Group Limited
"the Purchaser"	Ask The Genie Limited and Ask Genie Limited, subsidiary undertakings of Gentoo Group Limited
"AIM"	Alternative investment market
"FY09"	Financial year ended 30 September 2009
"FY10"	Financial year ended 30 September 2010
"YTD11"	Five months ending 28 February 2011
"EOS"	Estimated Outcome Statement
"PP"	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986 (as amended)
"SIP13 (E&W)"	Statement of Insolvency Practice 13 (England & Wales)

## 1. BACKGROUND

### 1.1. Introduction

This report is prepared pursuant to Paragraph 49 of Schedule B1 of the Act, which requires the Administrators to provide creditors with details of their proposals to achieve the purposes of the Administrations

To assist the creditors and enable them to decide on whether or not to vote for the adoption of the proposals, the following information is included in our report

- background of the Group, and
- the circumstances giving rise to the appointment of the Administrators

As there are insufficient funds for a distribution to the unsecured creditors, other than the PP in ROM, and in accordance with Paragraph 52(1)(b) of Schedule B1 of the Act, the Administrators will not be convening creditor meetings, unless required to do so

Should creditors of the Companies, whose total debts amount to at least 10% of the total debts of that specific company, wish to request a meeting be held they should complete the attached Form 2 21B (Appendix 6) and return it within the deadline stated

In the event no request (in the prescribed manner) is received within 8 business days of issue of this statement, the proposals will be deemed approved and a notice will be filed at Companies House

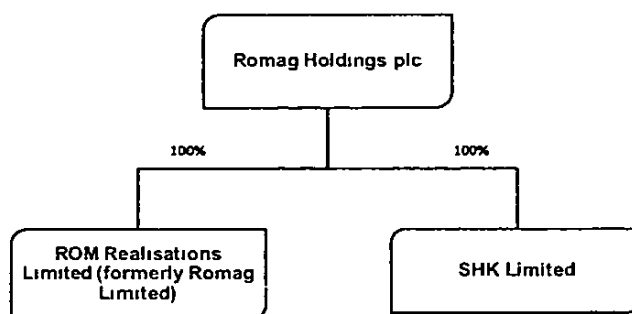
***Please note that the name of Romag Limited was changed to ROM Realisations Limited with effect from the 6 April 2011. For the purposes of this report, we will refer to the Companies by the abbreviations set out on the previous page.***

### 1.2. Background

The Group consisted of three companies, PLC, the AIM listed holding company, ROM, a subsidiary of PLC and the main trading entity of the Group, and SHK, a dormant subsidiary of PLC. The Group traded principally as a supplier of photo-voltaic solar panels to the residential construction market, but also had operations producing specialist glass products for the transport, security and architectural markets

The Group originated from a small conglomerate which in 1975 refocused its strategy to concentrate on glass processing. The Group's expertise developed into two broad areas being the transport and architecture market and the growing electronic information displays market. Operations within this second area were demerged in 2000 and subsequently floated on AIM as Zytronic plc. In November 2003 the Group was separately listed on AIM and went on to specialise in the production of photo-voltaic solar panels

A summary of the Group's structure is provided below



The Group operated from its freehold premises based in Leadgate, County Durham and provided a range of specialist products

**Specialist Glass** - offering protection from physical attack utilising bullet resistant and blast resistant glass specifications, using glass polycarbonate laminating technology

**Solar Photovoltaic** – Solar panel technology marketed under the collective name of PowerGlaz, all of which met the requirements of the Feed in Tariff scheme, which was introduced by the Government in April 2010 to fund renewable energy on buildings

**Transport** - products included security glass for the transport market, high impact glass for the rail industry and bullet resistant glass for cash in transit/emergency services

**Architectural** - included products such as glass floor panels and high performance solar control glass, which often included augmentations such as decorative glass coatings or tinted interlayers

**Security** - Custodian bullet and intruder resistant products to meet a number of worldwide standards

At the date of the Administrations 159 people were employed across the Group

### 13. Overview of Financial Information

Extracts from the audited Group accounts for the 12 month period to 30 September 2009, draft audited accounts for the 12 month period to 30 September 2010 and management accounts for the five month period to 28 February 2011 are set out below

The figures in both the Group profit and loss account and balance sheet for FY10 have not been adjusted to reflect prior year adjustments that management and their advisors identified as being necessary prior to the Administration. However, these adjustments are reflected in the Group's YTD11 figures

*Therefore, in the absence of the restated results, the Group's FY10 draft audited accounts (before adjustments) have been included to provide creditors with a complete summary of the Group's financial performance over the preceding three years. Consequently, creditors are advised that the closing FY10 figures will not correspond with the Group's YTD11 results.*

Please note that this information has not been verified by the Administrators or by Deloitte

#### Group Summary Profit and Loss Account

	FY09 12 months Audited £'000	FY10 12 months Draft audited £'000	YTD11 5 months Management £'000
Group revenue	19,726	20,801	10,625
Cost of sales	(17,895)	(16,978)	(10,161)
Gross profit before exceptional items	1,831	3,823	464
Exceptional items	-	(5,912)	-
Gross profit/(loss) after exceptional items	1,831	(2,089)	464
Distribution costs	233	342	136
Administrative expenses	2,605	2,785	1,592
	(2,838)	(3,127)	(1,728)
Group trading loss	(1,007)	(5,216)	(1,264)
Other operating income	2,779	74	58
Group operating profit/(loss) from continuing operations	1,772	(5,142)	(1,206)
Finance Costs	(696)	(746)	(227)
Profit/(loss) from continuing operations before taxation	1,076	(5,888)	(1,433)
Tax (expense)/credit	(319)	994	-
Profit/(loss) for year from continuing operations	757	(4,894)	(1,433)

Source: Statutory accounts and management

## Group Summary Balance Sheet

	FY09 Audited £'000	FY10 Draft audited £'000	YTD11 Management £'000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	26,753	26,011	25,005
Intangible assets	6,134	3,250	1,380
Financial assets	-	-	-
Deferred tax assets	16	-	-
	<b>32,903</b>	<b>29,261</b>	<b>26,385</b>
<b>Current assets</b>			
Inventories	13,748	12,311	5,000
Trade and other receivables	10,230	7,807	2,939
Cash	-	1,850	525
	<b>23,978</b>	<b>21,968</b>	<b>8,464</b>
<b>Total assets</b>	<b>56,881</b>	<b>51,229</b>	<b>34,849</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	2,277	2,641	2,645
Financial liabilities	1,846	842	694
Corporation tax	46	-	-
Government grants	87	106	-
	<b>4,256</b>	<b>3,589</b>	<b>3,339</b>
<b>Non-current liabilities</b>			
Financial liabilities	16,672	17,316	17,346
Government grants	321	375	437
Deferred tax liabilities	3,308	2,325	2,326
	<b>20,301</b>	<b>20,016</b>	<b>20,109</b>
<b>Total liabilities</b>	<b>24,557</b>	<b>23,605</b>	<b>23,448</b>
<b>Net assets</b>	<b>32,324</b>	<b>27,624</b>	<b>11,401</b>
<b>Capital and reserves</b>			
Equity share capital	12,505	12,505	12,505
Share premium	10,924	10,924	10,924
Merger reserve	406	406	406
Retained earnings	8,489	3,789	(12,434)
<b>Equity shareholder funds</b>	<b>32,324</b>	<b>27,624</b>	<b>11,401</b>

Source Statutory accounts and management

### 1.4. Romag Holdings plc

PLC was incorporated in May 1993 and is the ultimate parent company of the Group. Key assets included the Group's freehold property, situated at Leadgate, County Durham, and its investment in its two subsidiary undertakings, ROM and SHK. Three members of the PLC board were employed by this entity.

PLC is an AIM listed public limited company.



### **1.5 ROM Realisations Limited (formerly Romag Limited)**

ROM is a 100% subsidiary of PLC, incorporated in March 1981, and represented the main trading entity within the Group. ROM also employed the majority of the Group's workforce.

As previously discussed, ROM manufactured and distributed laminated glass and plastic composites for renewable energy, architectural and specialist transport applications.

Following the sale of the business and assets of the Group, Romag Limited changed its name to ROM Realisations Limited on 6 April 2011.

### **1.6. SHK Limited**

The assets and liabilities of SHK were transferred to PLC on 1 October 2002. Thereafter the company ceased trading and is dormant.

### **1.7 Management and Employees**

As at 4 April 2011, the Companies employed 159 members of staff, broken down as follows:

PLC	156
ROM	3
SHK	<u>Nil</u>
	<u>159</u>

Statutory information on the Companies, including details of the directors, secretary, bankers and shareholders is provided at Appendix 1.

## **2 THE CIRCUMSTANCES GIVING RISE TO THE APPOINTMENT OF THE JOINT ADMINISTRATORS**

### **2.1 Events prior to the Administration**

During December 2010 and January 2011 the Group held negotiations with the Bank, the Group's secured lender, with regards to renewing its banking and borrowing facilities. In January 2011 the Company appointed Altium Capital Limited ("Altium") as its broker and nominated advisor with a view to an equity fundraising to reduce indebtedness to the Bank.

At the end of January 2011, John Kennair, Chief Executive and Group Chairman, advised Altium of a payment he had made to the Group that had not been adequately disclosed in accordance with PLC's AIM listed status. Accordingly on 31 January 2011 the Group made an announcement to the market advising of this matter and requested the immediate suspension of trading in the Group's shares pending further investigation. Subsequently John Kennair stepped down as Group Chairman but remained as Chief Executive.

In mid February 2011, the Group approached the Bank with a request to extend its facility to cover a medium term funding requirement, which was necessary due to the Group's existing facility having been withdrawn. Without additional banking facilities the Group had little prospect of ongoing trading. The Bank did not agree to meet this additional funding requirement and as a consequence the directors were required to consider alternative options, and decided to pursue a fast track sale process.

Following the conclusion of the marketing process, and to allow a going concern sale of the Group's trading business and assets, the directors of the Companies took steps to appoint Administrators of the Group.

### **2.2 Details of the Appointment of the Joint Administrators**

Daniel Francis Butters, William Kenneth Dawson and Neil Matthews of Deloitte were appointed Joint Administrators of the Companies pursuant to Paragraph 22(2) of Schedule B1 of the Act by the respective directors on 4 April 2011.

Conduct of the proceedings is the High Court of Justice, Leeds District Registry, case numbers 496, 497 and 498 of 2011 in relation to PLC, ROM and SHK respectively.

For the purposes of Paragraph 100(2) of Schedule B1 of the Act the Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly or severally.

### **2.3 Purpose of the Administration**

The purpose of an Administration under The Enterprise Act 2002 is split into three parts:

- 1 To rescue a company as a going concern (in other words a restructuring which keeps the actual entity intact)
- 2 If the first purpose is not reasonably practicable (or the second purpose would clearly be better for the creditors as a whole), then the Administrators must perform their

functions with the objective of achieving a better result for creditors than would be obtained through an immediate liquidation of the company. This would normally envisage a sale of the business and assets as a going concern (or a more orderly sales process than in liquidation).

3. If neither of the first two parts of the purpose are reasonably practicable, the Administrators must perform their functions with the objective of realising property in order to make a distribution to secured and/or preferential creditors as applicable.

The Companies had significant secured and unsecured creditor liabilities and therefore a restructuring of these creditors would have been required to meet the first objective. It was apparent that there was insufficient value placed on the Companies' assets by third parties in order to effect a restructuring of the Companies' considerable debt and the Administrators concluded that the first option was not possible to achieve.

Accordingly, the purpose of the Administrations was to achieve a better result for creditors than would be obtained through an immediate liquidation of the Companies. The purpose of the Administrations has been achieved through a sale of the businesses and assets of the Companies as discussed in Section 3.2.

#### **2.4. Electronic communication with creditors**

In an effort to reduce the costs of the Administrations, all communication with creditors, including updates and progress reports, are posted onto a website which has been set up specifically for this purpose. The web address is [www.deloitte.co.uk/romag](http://www.deloitte.co.uk/romag).

A letter will be issued to all creditors each time the website is updated with a statutory notice or report. All creditors' statutory notices will be retained on the website for three months after being uploaded to the site.

### **3 THE MANNER IN WHICH THE AFFAIRS OF THE COMPANIES HAVE BEEN MANAGED AND FINANCED AND WILL CONTINUE TO BE MANAGED AND FINANCED IF THE JOINT ADMINISTRATORS' PROPOSALS ARE APPROVED**

#### **3.1 Introduction**

In considering the acceptance of the appointment as Administrators and the proposed strategy to identify potential buyers of the businesses, the Administrators needed to be satisfied that a sale of the business could not be better achieved elsewhere

It was concluded that it would not be possible to trade the business within the constraints of an Administration process due to the likely loss of support from key suppliers and customers

Consideration of the above meant that trading the Companies in Administration whilst a purchaser for the business was sought was not an option

Instead, the best course of action and method of maximising value for the assets of the Companies was a pre-packaged sale of the businesses in order to preserve continuity of trading, any goodwill and their ongoing relationship with customers and suppliers. It was envisaged that the transaction would take place via the sale of the business and assets as a going concern immediately after the appointment of the Administrators

#### **3.2. Sales of the Businesses**

##### ***Overview***

The Administrators were of the opinion that a pre-packaged sale of the Group was essential to preserve enterprise value within the Group's trading operations. Given the distressed nature of the Group's undertaking at the date of the Administrations, it is the Administrators' opinion that there was very little chance of maintaining that undertaking in a cohesive manner to facilitate the marketing and sale of the business in an insolvency process

The key challenges to delivering a sale process during Administration are as follows

- Lack of funding for Administration trading – it was very unlikely that the Administrators would be able to raise the necessary funding to sustain the trading of the business for any meaningful, even if accelerated, sale process,
- Loss of key suppliers – it was likely that the Administrators would have faced significant ransom demands from strategically important suppliers to enable continued production. This would have generated a funding requirement materially greater than the business' normal operating funding requirement,
- Loss of key customers – customers were likely to look for alternative suppliers to ensure future supply and to obtain greater certainty around product guarantees, and
- Employees – it was likely that the employees of the business would have found the uncertainty of a sale process in Administration extremely unsettling potentially resulting in a loss of staff to other organisations or other negative impacts on the Group

The pre-packaged Administration sale of the Group's business and assets is considered to deliver value significantly in excess of a likely liquidation process to the benefit of all creditors. In addition, the preferential creditors of the Group (employees of PLC and ROM) have been transferred to the Purchaser in accordance with the Transfer of Undertaking (Protection of Employment) regulations, thus mitigating this class of creditors' claim against the Group.

#### ***Summary of pre-appointment marketing process***

The Group and the Bank formally appointed Deloitte on 17 March 2011 to commence a fast track disposal process to be completed on 1 April 2011. On 21 March 2011 Deloitte's Corporate Finance Advisory practice commenced approaching parties identified as potential purchasers. For those parties that expressed an interest and signed a non disclosure agreement, an information pack was subsequently issued. Interested parties were informed of the requirement for bids by noon on 25 March 2011 and completion on 1 April 2011.

The marketing process had the following results:

- Approaches on a confidential no names basis were made to 54 potential trade purchasers and 24 prospective financial buyers,
- Initially approaches to a number of key customers and suppliers as identified by the Group's Directors were restricted, for risk of undermining confidence in the Group and impairing its ability to continue to trade. Only at a suitable juncture within the marketing process did the Group's Directors feel comfortable contacting these customers and suppliers,
- Non disclosure agreements were signed by 41 parties,
- Summary Information Packs were distributed to 33 parties,
- Provision of certain additional information supplied upon request prior to formal submission of indicative offers.

Following the conclusion of the marketing process two indicative offers were received on 25 March 2011 with values ranging from £6.0m to £8.5m. Both of these bids were subsequently reconfirmed on 30 March 2011 ranging from £4.5m to £6.0m. Following further discussions the higher bid, received from Gentoo, was improved to £7.0m. A decision was made to proceed with the offer from Gentoo on the basis of the higher value of £7.0m and the ability to complete by 1 April 2011.

#### ***Details of the sale of the businesses***

On 4 April 2011, immediately following their appointment, the Joint Administrators sold the business and assets of the Group. The Group's stock and debtors were sold to Ask Genie Limited for consideration of £2.965m and all other assets of the Group were sold to Ask The Genie Limited for consideration of £4.035m. Therefore the total consideration for the business and assets of the Group was £7.0m. This was paid in cash on completion.

It should be noted that the Purchaser also acquired the company name and trading style known as 'Romag Limited'. Therefore the former trading entity of the Group was renamed ROM Realisations Limited with effect from 6 April 2011.

The proceeds from the sale of the business have been apportioned as follows:

	£'m
<b>Freehold Property</b>	1 400
<b>Stock</b>	1 675
<b>Debtors</b>	1 290
<b>Goodwill and any other assets subject to a floating charge</b>	2 635
	<u>7 000</u>

### 3.3 Assets Excluded from the Sale

The following assets are excluded from the sale of the business, generally defined as 'other debtors', which are principally made up of:

**Supplier deposits** – Prior to the Administrations the Group had commenced legal proceedings against one of its former suppliers to recover a substantial supply deposit due to ROM. In addition we understand that the Group had also taken steps to recover a second deposit with a further supplier. The Administrators are currently taking advice in relation to both of these matters and will report to the creditors further in our next report.

**Corporation Tax and VAT refunds** – As detailed in the directors' statement of affairs of both PLC and ROM, there are potential refunds due to these entities in relation to corporation tax and VAT. We have instructed Deloitte Corporate and Indirect Tax teams to undertake a review of the Group's tax and VAT affairs at the date of the Administrations.

## 4. DIRECTORS' STATEMENTS OF AFFAIRS

### 4.1. Introduction

A Statement of Affairs for each of the Companies as at 4 April 2011 has been submitted by the directors of each entity, summaries of which are attached at Appendix 3

In accordance with the standard format of the Statement of Affairs form, no provision has been made in the Statement of Affairs for the costs of the Administrations (including agents, legal and other professional fees)

The Administrators have not carried out any work of the nature of an audit on the information

There are a number of different classes of creditors. These include

- **Secured creditors** The Bank has cross-guaranteed fixed and floating charge debenture security across all of the Companies and as such are paid in priority to other creditors. This priority is subject to a provision of funds for the unsecured creditors of ROM under the PP (see section 4.5). Further details of the Companies' security are set out in section 4.3
- **Preferential creditors** These relate to specific employee wage arrears, holiday pay and certain pension contributions and are paid in priority to unsecured creditors out of net floating charge realisations before the PP and before payment to the secured floating chargeholder. However, there are no preferential claims in the Administrations given all employees of the Companies transferred to the Purchaser as part of the sale of the business and assets
- **Unsecured creditors** They rank behind secured and preferential creditors and receive any surplus available from net realisations, in addition to any funds that may become due under the PP,
- **Shareholders** A distribution shall only become payable to the shareholders of the Companies should there be sufficient realisations to allow the claims of the secured, preferential and unsecured creditors to be met in full

The Administrators have not included the addresses of all the creditors in view of the fact that the information runs to many pages and it would not be cost effective to send it out. However, copies of this information will be sent to creditors on request, either by post or by e-mail

### 4.2. Notes to the Directors' Statement of Affairs

The directors' have stated the following

- The net book values have been taken from the Companies' management accounts prepared at the end of February 2011, together with adjustments deemed necessary by the directors to reflect the financial position of the Group at 4 April 2011,
- The estimated to realise values are based on the directors' understanding of the consideration achieved by the Administrators for the sale of the trade, business and assets of the Companies on 4 April 2011,
- There was a cross guarantee in place between PLC and all subsidiaries. The Companies' total bank indebtedness at the date of appointment was £17.238m,

- No provision has been made in the Statement of Affairs for the costs of the Administration (including agents, legal and professional fees),
- There were also a number of inter-company debts between the various Companies. The directors have assumed any inter-company balances are irrecoverable

#### **4.3 Secured creditors**

As at the date of appointment the Group had the following facilities with the Bank, the secured lender

- a £15.0m revolving credit facility drawn in full,
- a Euro denominated mortgage of c €2.8m, and
- a short term overdraft facility of £0.4m, which was unutilised

The Bank's indebtedness is secured by debentures from each Group company, and also a mortgage deed in favour of the Bank in respect of ROM, providing the Bank with fixed and floating charges over the assets of the Group. The Bank's security is subject to cross-guarantees from each Group entity.

The total indebtedness to the secured creditor at the date of the Administration was £17.238m.

The secured creditor will suffer a significant shortfall on its lending.

#### **4.4 Preferential Claims**

The transfer of the businesses was covered by the Transfer of Undertakings (Protection of Employment) Regulations 1981. As such all employees of the Group transferred to the Purchaser upon the sale of the business and assets on 4 April 2011.

Therefore there are no preferential claims in the Administration.

#### **4.5 The Prescribed Part**

By virtue of Section 176A(2)(a) of the Act, the Administrators must make a PP of the Company's net property available for the satisfaction of unsecured debts. Net property is the amount of a company's property which would, but for this section, be available for the holders of floating charges created by the company.

Creditors should note that the provisions of the PP shall only apply in relation to realisations from debtors and stock relating to ROM. Realisations from all other assets within ROM, and all realisations within PLC, will not be subject to the PP given the secured creditors hold pre-Enterprise Act 2002 security in relation to these assets.

In the case of ROM the PP applies where there are floating charge realisations, net of costs to be set aside for unsecured creditors. This equates to

- 50% of net property up to £10,000,
- Plus, 20% of net property in excess of £10,000



- Subject to a maximum of £600,000

It is envisaged that the PP fund arising from debtor and stock realisations within ROM will total the maximum amount of £600,000 as illustrated above

Due to the possible PP distribution to the unsecured creditors of ROM creditors are requested to submit claims to the address on the front of this report, marked for the attention of Chns Ferguson

A Proof of Debt form is attached at Appendix 5

#### 4.6 Unsecured Claims

The unsecured creditors' position as at 4 April 2011 per the Directors' Statements of Affairs (excluding any shortfall to floating charge holders) is summarised in the table below

£'000	PLC	ROM	SHK	Total
Trade creditors	286	2,443	-	2,729
HMRC	14	183	-	197
Hire purchase liabilities	642	-	-	642
Inter-company liabilities	6,929	21,700	-	28,629
<b>TOTAL</b>	<b>7,871</b>	<b>24,326</b>	<b>Nil</b>	<b>32,197</b>

After discharging the costs of the Administration, there will not be sufficient realisations from floating charge assets to fully repay the Bank. Accordingly, we do not expect any funds to become available to pay a dividend to the unsecured creditors of any of the Companies, other than a distribution under the PP in ROM, as discussed in Section 4.5

#### 4.7. Shareholders of PLC

As a result of insufficient funds being available to repay the secured and unsecured creditors of PLC, there will be no surplus to allow a distribution to be made to the shareholders of PLC, being the AIM listed parent company of the Group. Therefore shareholders are advised that any investment they hold in PLC should be considered to hold a nil value.

#### 4.8. Administrators' Estimated Outcome statement

In accordance with Rule 2.33(3) of the Rules no EOS is provided in this report. The Administrators believe that, by doing so, the commercial interests of the Group would be affected, specifically in relation to the recovery of supplier deposits.

#### 4.9 Creditors Meeting

As the Administrators do not expect that any funds will be available to the unsecured creditors, other than by virtue of a PP distribution in ROM as detailed above, meetings of creditors will not be held. A request in the prescribed manner that the Administrators call a meeting can be made by creditors representing 10% or more of the total debts (individually or jointly) of each entity. Creditors wishing to submit this request should complete the attached Form 2.21B and return it to the Administrators **no later than 26 May 2011**. A deposit of £3,000.00 towards the

costs of convening the meeting should be enclosed with the request per rule 2.37(3) of the Rules

## 5 JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

### 5.1. Introduction

There will be no funds available to the unsecured creditors other than by virtue of Section 176A(2)(a) of the Act. Therefore, fixing the basis of the Administrators' remuneration will be approved in accordance with Rule 2.106(5A) of the Rules, which is outlined as follows:

- Where the Administrators have made a statement under Paragraph 52(1)(b) of Schedule B1 of the Act the basis of the Administrators' remuneration may be fixed by approval of
  - each secured creditor, or
  - if the Administrators intend to make a distribution to preferential creditors, with the approval of each secured creditor and 50% of preferential creditors who respond to an invitation to consider approval.

It is the intention of the Administrators to seek approval of their remuneration from the secured creditor on the basis of time properly given by the Administrators' and their staff in attending to matters arising in the Administrations, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed, plus VAT. There are no preferential creditors in the Administration. No remuneration has been drawn by the Administrators.

In line with Paragraph 52(1)(b) of Schedule B1 of the Act outlined above there is no requirement for unsecured creditors to pass a resolution in respect of Administrators' remuneration.

The Administrators' time costs incurred for each Group entity is analysed at Appendix 4. The work has been categorised into the following task headings and sub categories:

- **Administration and Planning** includes such tasks as case planning and set-up, appointment notification, statutory reporting, compliance, cashiering, accounting and administrative functions.
- **Realisation of Assets** includes such tasks as identifying and securing assets, dealing with the sale of business, property issues, activities in relation to other fixed assets, stock, debtors, investments and any related legal issues.
- **Investigation** includes such tasks as reporting on the Directors' conduct, investigating antecedent transactions and any other investigations that may be deemed appropriate.
- **Trading** includes tasks such as planning, strategy, managing day one site visits and corresponding with suppliers and customers.
- **Creditors** include such tasks as creditor set up, communication and meetings, reviewing and agreeing preferential and unsecured claims, retention of title issues, corresponding with secured creditors, reviewing and obtaining advice in relation to

security granted to the Bank. Also, dealing with trade creditors, dealing with customer creditors, employee issues, and submitting documentation to HM Revenue & Customs

- **Other matters** include employee related issues, VAT and corporation tax issues

The range of charge out rates for the separate categories of staff is based on our 2011 charge out rates as summarised below. Manager rates include all grades of assistant manager

Grade	£
Partners/Associate Partners/Directors	560 to 895
Managers	280 to 670
Assistants and Support Staff	175 to 280

The above bands are specific to the Reorganisation Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Corporate Finance or Drivers Jonas Deloitte may be required on the case. These departments may charge rates that fall outside the Reorganisation Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Reorganisation Services department bands.

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

"A Creditors' Guide to Administrators' Remuneration" is available for download at

[http://www.r3.org.uk/media/documents/technical\\_library/SIPS/SIP%209%20E&W%20INTER.pdf](http://www.r3.org.uk/media/documents/technical_library/SIPS/SIP%209%20E&W%20INTER.pdf)

Should you require a paper copy, please send your request in writing to the Administrators at the address on the front of this report and this will be provided to you at no cost.

## 5 2. Administrators' Expenses

A summary of the Administrators' expenses (excluding VAT if applicable) which relate to direct expenses such as travel are set out by entity below. Please note that the Administrators' expenses for mileage are calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte at the time when the mileage is incurred (presently up to 45p per mile). No expenses have been recovered.

Nature of expenses	PLC £	ROM £	SHK £	Total £
Mileage	37 49	57 52	-	95 01
Parking	-	15 77	-	15 77
Subsistence	-	42 75	-	42 75
Accommodation	86 71	-	-	86 71
Travel	122 40	-	-	122 40
<b>Total</b>	<b>246 60</b>	<b>116 04</b>	<b>-</b>	<b>362 64</b>

## 5 3. Other Professional Costs

To advise on appropriate legal matters and to prepare required legal documentation, including the business sale agreement, the Administrators instructed Walker Morris, a firm of lawyers with the appropriate expertise and experience in dealing with these types of Administrations. To date their billed costs have amounted to £81,289.10 (£16,257.82 PLC and £65,031.28 ROM) plus VAT.

All professional fees are based upon their recorded time costs incurred at discounted charge out rates and will be reviewed by the Administrators' staff before being approved for payment.

## 5 4. Pre-appointment costs

Deloitte Corporate Finance Advisory was instructed by the Group and the Bank to assist in the fast-track marketing process that was undertaken by the Group prior to the Administration. Deloitte's fees and disbursements in relation to this work totalled £105,000.00 and £1,715.09 respectively, plus VAT, and were paid in full by the Group prior to the Administration.

## 5.5. Creditors' right to request information

Any secured creditor or, unsecured creditor with the support of at least 5% in value of the unsecured creditors or, with leave of the Court, may, in writing, request the Administrators to provide additional information regarding remuneration or expenses to that already supplied within this document. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 2.47(1)(fa) and 2.48A of the Rules.

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## **5.6 Creditors' right to challenge Remuneration and/or Expenses**

Any secured creditor or, unsecured creditor with the support of at least 10% in value of the unsecured creditors or, with leave of the Court, may apply to the Court for one or more orders (in accordance with Rule 2.109(4) of the Rules), challenging the amount or the basis of remuneration which the Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred. Such applications must be made within 8 weeks of receipt by the applicant(s) of the report detailing the remuneration and/or expenses being complained of, in accordance with Rule 2.109 of the Rules.

## **6 OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS**

### **6.1 Directors' conduct**

As part of their statutory duties, the Administrators will consider the conduct of the directors of the Companies, and any person they consider a shadow or de facto director, in relation to their management of the affairs of the Companies and the causes of failure, and will submit a confidential report to the Insolvency Service, a division of the Department for Business, Innovation and Skills

As part of their investigations the Administrators will consider, among other matters, the following

- statutory compliance issues,
- misfeasance or breach of duty, and
- antecedent transactions (including transactions at an under value and preferences)

Creditors who wish to draw any matters to the attention of the Administrators should write to the Administrators at the address given on the front of this report

### **6.2 SIP13 (E&W) – Transactions with connected parties**

In accordance with the guidance given in SIP13 (E&W), we confirm that there have been no transactions with connected parties during the period of this report or in the two years prior to our appointment

### **6.3. Exit Routes from Administration**

In accordance with the provisions of the Act incorporated by the Enterprise Act 2002, all Administrations automatically come to an end after one year, unless an extension is granted by the Court or with consent of the creditors

There are several exit routes which are available to the Administrators such as,

- an application to Court (in the event of a Court appointment),
- filing a notice in Court and with the Registrar of Companies confirming that the purpose of Administration has been sufficiently achieved, or
- in the event that the Company has no property, the Administrators may notify the Registrar of Companies to that effect at which time the appointment of the Administrators ceases and three months following that date the company is deemed to be dissolved

In addition the Administrators could propose to place the Companies into Creditors' Voluntary Liquidation, a Compulsory Liquidation or a Company Voluntary Arrangement. Reference will be made in the resolutions within this report as to the exit route most suitable to the circumstances of each Administration

The exit route chosen in relation to the Companies will largely depend on the circumstances of each Administration. However, the anticipated exit route shall be to move the Companies from Administration to dissolution once all assets of the Group have been realised and the purpose of the Administrations achieved.

If funds do become available for a distribution under the PP, the Administrators may apply to the Court for authority to make a distribution to unsecured creditors (under the PP) and then take the requisite steps to dissolve the Companies, or if appropriate, to apply to the Court to obtain an order pursuant to Section 176A(5) that Section 176A(2) (PP for unsecured debts) shall not apply.

If there is a distribution to unsecured creditors (other than via the PP), the Administrators are discharged from liability in respect of any action of theirs as Administrators pursuant to Paragraph 98(1) of Schedule B1 of the Act upon registration of the notice given pursuant to Paragraph 84 of Schedule B1 of the Act. Where there will be no distribution to unsecured creditors, the Administrators will seek their discharge from the secured creditor.

#### **6.4 EC Regulations**

As stated in the Administration Orders in respect of the Companies, Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that Regulation.

#### **6.5 Third Party Assets**

Should you believe that you own items that may have been present at the Group's former trading premises please contact the Administrators as soon as possible.



**7. STATEMENT OF PROPOSALS PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986 (AS AMENDED)**

**Romag Holdings plc** Court Case No 496 of 2011

**ROM Realisations Limited (formerly Romag Ltd)** Court Case No 497 of 2011

**SHK Limited** Court Case No. 498 of 2011

**All in Administration (each being "a Company" and together being "the Companies")**

The Administrators' proposals are as follows

- 1 the Administrators continue to manage the affairs and any remaining assets of the Companies and the settlement of all Administration expenses,
- 2 the Administrators continue with their enquiries into the conduct of the directors of the Companies and continue to assist any regulatory authorities with their investigation into the affairs of the Companies,
- 3 the Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors against each of the Companies unless the Administrators conclude, in their reasonable opinion, that a Company will have no assets available for distribution,
- 4 the Administrators be authorised to distribute funds to the secured and preferential creditors as and when claims are agreed and funds permit and, in relation to distributions to unsecured creditors, if the Court gives permission following an appropriate application,
- 5 that, in the event the creditors of each Company so determine, a Creditors Committee be appointed in respect of each or any Company comprising of not more than five and not less than three creditors of that Company or Companies],
- 6 that, if a Creditors' Committee is not appointed, the secured, and if applicable, the preferential creditors of each Company shall be asked to fix the basis of the Administrators' remuneration in accordance with Rule 2 106(5A)(a), to be fixed by reference to the time properly given by the Administrators' and their staff in attending to matters arising in the Administrations, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed, plus VAT. In addition those creditors shall also be asked to agree the Administrators' expenses of which the Administrators' expenses for mileage be calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte at the time when the mileage is incurred, plus VAT where applicable,
- 7 that, following the realisation of assets and resolution of all matters in the Administrations, and as quickly and efficiently as is reasonably practicable, the Administrators implement the most cost effective steps to formally conclude the Administrations. This may include the distribution of funds to unsecured creditors (provided Court permission is obtained) and then the dissolution of the Companies or alternatively, seeking to put each or any of the Companies into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation, depending on which option will result in a better realisation for creditors,
- 8 that, if each or any of the Companies were to be placed into CVL, the Administrators propose to be appointed Liquidators and any Creditors' Committee appointed will become the Liquidation Committee pursuant to Rule 4 174 of the Rules and that the basis of the Liquidators' remuneration be fixed by reference to the time given in attending to matters arising in the Liquidations, and/or as a percentage of realisations and/or as a set fee. As per Paragraph 83(7) of Schedule B1 of the

Act and Rule 2.117A(2)(b) of the Rules, the creditors may nominate a different person to be Liquidator(s) provided the nomination is made before the proposals are approved by creditors. For the purposes of Section 231 of the Act the Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally, and

9. in the absence of Creditors' Committees, the secured and, if applicable, preferential creditors of each Company agree that the Administrators be discharged from liability per Paragraphs 98 and 99 of Schedule B1 of the Act immediately upon the Administrators' filing their final report to creditors and vacating office

Yours faithfully

**For and on behalf of Romag Holdings plc, ROM Realisations Limited and SHK Limited**



DF Butters, WK Dawson and N Matthews  
**Administrators of the Companies - In Administration**

Deloitte LLP  
One Trinity Gardens  
Broad Chare  
Newcastle upon Tyne  
NE1 2HF

Daniel Francis Butters, William Kenneth Dawson and Neil Matthews were appointed Joint Administrators of Romag Holdings plc, ROM Realisations Limited and SHK Limited on 4 April 2011. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability.

All licensed Insolvency Practitioners of Deloitte are licensed in the UK to act as Insolvency Practitioners.

## ROMAG HOLDINGS PLC, ROM REALISATIONS LIMITED AND SHK LIMITED

(ALL IN ADMINISTRATION)

## STATUTORY INFORMATION

Company Name	Romag Holdings plc	ROM Realisations Limited	SHK Limited
Previous Names	SHK Limited, Romag Limited, Flairgybe Limited	Romag Limited, Romag Security Laminators Limited, Ingelight Limited, Security Laminators Limited	Romag Holdings Limited
Proceedings	In Administration	In Administration	In Administration
Court	Leeds District Registry	Leeds District Registry	Leeds District Registry
Court Reference	496 of 2011	497 of 2011	498 of 2011
Date of Appointment	4 April 2011	4 April 2011	4 April 2011
Joint Administrators	Daniel Francis Butters, William Kenneth Dawson and Neil Matthews Deloitte LLP One Trinity Gardens, Broad Chare Newcastle upon Tyne NE1 2HF	Daniel Francis Butters, William Kenneth Dawson and Neil Matthews Deloitte LLP One Trinity Gardens, Broad Chare Newcastle upon Tyne NE1 2HF	Daniel Francis Butters, William Kenneth Dawson and Neil Matthews Deloitte LLP One Trinity Gardens, Broad Chare Newcastle upon Tyne NE1 2HF
Registered office Address	c/o Deloitte LLP One Trinity Gardens, Broad Chare Newcastle upon Tyne NE1 2HF	c/o Deloitte LLP One Trinity Gardens, Broad Chare Newcastle upon Tyne NE1 2HF	c/o Deloitte LLP One Trinity Gardens, Broad Chare Newcastle upon Tyne NE1 2HF
Company Number	02820227	01549869	00988493
Incorporation Date	21 May 1993	11 March 1981	03 September 1970
Company Secretary	David Eric Banks	Julie Margaret Nelson	Julie Margaret Nelson
Bankers	Lloyds Banking Group plc	Lloyds Banking Group plc	Lloyds Banking Group plc
Auditors	Ernst & Young LLP	Ernst & Young LLP	Ernst & Young LLP
Appointment by	The directors under Paragraph 22(2) of Schedule B1 of the Insolvency Act 1986	The directors under Paragraph 22(2) of Schedule B1 of the Insolvency Act 1986	The directors under Paragraph 22(2) of Schedule B1 of the Insolvency Act 1986
Directors at date of Appointment	John Martin Kennair, Peter Riddle Allan, David Eric Banks, David McLaren Gray,	William Littlejohns, Kevin Webster, Keith John Morrison, Joseph Paisley, Julie Margaret Nelson	John Martin Kennair, David Eric Banks, Peter Riddle Allan, Julie Margaret Nelson
Directors' Shareholdings	JM Kennair - 5,926,521 PR Allan - 134,000 DE Banks - 130,000 DM Gray - 7,500 JM Kennair - 114,712 (non-beneficial) (£0.25 each)	None	None

## APPENDIX 2

Romag Holdings plc, ROM Realisations Limited and SHK Limited

Joint Administrators' abstract receipts and payments account for the period to 16 May 2011

	S of A	Romag Holdings plc	ROM Realisations Limited	SHK Limited
	£'000	£	£	£
<b>Receipts</b>				
Freehold Property	1,400	1,400,000 00	-	-
Trade Receivables	1,289	-	1,289,998 00	-
Inventories	1,675	-	1,675,000 00	-
Plant & Machinery	2,635	-	2,635,002 00	-
Other debtors	2,750	10,672 60	-	-
VAT		280,000 00	1,120,000 00	-
		<b>1,690,672 60</b>	<b>6,720,000 00</b>	-
<b>Payments</b>				
Legal Fees		16,257 82	65,031 28	-
VAT		3,219 53	12,878 14	-
		<b>19,477 35</b>	<b>77,909 42</b>	-
Balance in hand		<b>1,671,195 25</b>	<b>6,642,090 58</b>	-

Source Deloitte

DIRECTORS' STATEMENT OF AFFAIRS – ROMAG HOLDINGS PLC

A – Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge		
Freehold property	4,158,000	1,400,000
Less: Fixed charge debt	(17,238,000)	(17,238,000)
	(13,080,000)	(15,838,000)
Assets subject to floating charge		
Interests in subsidiary companies	21,518,000	Nil
Due from ROM Realisations Limited (formerly Romag Limited)	21,700,000	Nil
VAT recoverable	125,000	125,000
Corporation tax recoverable	Nil	58,000
Prepayments	6,000	Nil
Uncharged assets		
Estimated total assets available for preferential creditors	43,349,000	181,000

Signature [Signature] Date 19 April 2011

A1 – Summary of Liabilities

	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£ 181,000
Liabilities	
Preferential creditors	Nil
Estimated deficiency/surplus as regards preferential creditors	£ 181,000
Estimated prescribed part of net properties where applicable (to carry forward)	£ Nil
Estimated total assets available for floating charge holders	£ 181,000
Assets secured by floating charges	£ 15,838,000
Estimated deficiency/surplus of assets after floating charges	£ (15,657,000)
Estimated prescribed part of net properties where applicable (brought down)	£ Nil
Total assets available to unsecured creditors	£ Nil
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	
Trade creditors	£ 286,000
HM Revenue & Customs - PAYE/NI	14,000
Due to subsidiary company (SUK Limited)	6,929,000
Due to Yorkshire Bank plc under guarantee to subsidiary company (ROM Realisations Limited - formerly Romag Limited)	642,000
	£ 7,871,000
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£ (7,871,000)
Shortfall to floating charge holders (brought down)	£ 15,655,000
Estimated deficiency/surplus as regards creditors	£ (23,526,000)
Issued and called up capital	£ 23,420,000
Estimated total deficiency/surplus as regards members	£ (46,955,000)


Signature [Signature] Date 19 April 2011

DIRECTORS' STATEMENT OF AFFAIRS – ROM REALISATIONS LIMITED

A – Summary of Assets


Assets	Book Value £	Estimated to realise £
Assets subject to fixed charge		
Goodwill	Nil	1
Assets subject to floating charge		
Plant and machinery	20,646,000	2,635,000
Less: Hire purchase outstanding thereon	(642,000)	(642,000)
	20,004,000	1,993,000
Inventory	3,982,000	1,672,000
Trade debtors	2,191,000	1,283,000
Prepayments	99,000	1
Intangible assets - supplier deposits	1,299,000	2,750,000
VAT recoverable	Nil	350,000
Corporation tax recoverable	Nil	650,000
Uncharged assets		
	27,572,000	8,708,000

Estimated total assets available for preferential creditors

Signature  Date 21/04/11

A1 – Summary of Liabilities

	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£8,708,000
Liabilities	
Preferential creditors -	Nil
Estimated deficiencies/surplus as regards preferential creditors	£ 8,708,000
Estimated prescribed part of net property where applicable (to carry forward)	£ 600,000
Estimated total assets available for floating charge holders	£ 9,308,000
Debts secured by floating charges	£ 17,258,000
Estimated deficiency/surplus of assets after floating charges	£ 29,110,000
Estimated prescribed part of net property where applicable (throughdown)	£ 600,000
Total assets available to unsecured creditors	£ 29,710,000
Unsecured non preferential claims (including any shortfall on floating charge holders)	£
Trade creditors	2,441,000
Hire purchase & leases (PAYE)	183,000
Pay to parent company (Romax Holdings plc)	21,200,000
	£ 24,824,000
Estimated deficiency/surplus as regards non preferential creditors (including any shortfall on floating charge holders)	£ 123,726,000
Shortfall in floating charge holders (throughdown)	£ 9,110,000
Estimated deficiencies/surplus as regards creditors	£ 132,836,000
Issued and called up capital	£4,550,000
Estimated total deficiencies/surplus as regards members	£ 137,386,000

Signature  Date 21/04/11

## A1 – Summary of Liabilities

Assets	Book Value	Estimated to Realize
Assets subject to fixed charge		
Assets subject to floating charge.		
<p> <i>Have not + due from Living Hobbies</i>  <i>p/c</i> </p>	6,929,000	N/A
Uncharged assets		
Estimated total assets available for preferential creditors	6,929,000	N/A

Signature: Eric Date: 19 4 2011

P. Duran 5/4/2011

11/17/2011 9 42 2011

		Estimated total assets available for preferential creditors (carried from page A)	Estimated total assets available for floating charge holders	Estimated total assets available for secured creditors (excluding any shortfall in floating charge holders)	Estimated total assets available for unsecured creditors (excluding any shortfall in floating charge holders)	Estimated total assets available for members
Estimated total assets available for preferential creditors (carried from page A)		£ 17,238,000	£ 17,238,000	£ 17,238,000	£ 17,238,000	£ 17,238,000
Estimated total assets available for floating charge holders		£ 17,238,000	£ 17,238,000	£ 17,238,000	£ 17,238,000	£ 17,238,000
Estimated total assets available for secured creditors (excluding any shortfall in floating charge holders)		£ 17,238,000	£ 17,238,000	£ 17,238,000	£ 17,238,000	£ 17,238,000
Estimated total assets available for unsecured creditors (excluding any shortfall in floating charge holders)		£ 17,238,000	£ 17,238,000	£ 17,238,000	£ 17,238,000	£ 17,238,000
Estimated total assets available for members		£ 17,238,000	£ 17,238,000	£ 17,238,000	£ 17,238,000	£ 17,238,000

Signature: [Signature] Date: 19 4 2011

P. P. Brown  
5/4/2011

11/04/2011

## Time costs for the period to 16 May 2011

Romag Holdings plc  
(In Administration)

	Partners, Associate Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration and Planning</b>									
Cashiering and Statutory Filing	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Case Supervision, Management and Closure	0.0	0.00	5.0	1850.00	0.0	0.00	5.0	1850.00	370.00
Initial Actions (e.g. Notification of Appointment, Securing Assets)	1.5	840.00	13.5	4835.00	0.0	0.00	15.0	5475.00	365.00
Liaison with Other Insolvency Practitioners	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	1.5	840.00	18.5	6485.00	0.0	0.00	20.0	7325.00	366.25
<b>Investigations</b>									
Investigations	1.0	560.00	0.0	0.00	0.0	0.00	1.0	560.00	560.00
Reports on Directors' Conduct	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	1.0	560.00	0.0	0.00	0.0	0.00	1.0	560.00	560.00
<b>Trading</b>									
Trading and Ceasing to Trade	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
<b>Realisation of Assets</b>									
Book Debts	1.6	896.00	0.0	0.00	0.0	0.00	1.6	896.00	560.00
Other Assets (e.g. Stock)	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Plant and Equipment, Fixtures and Fittings and Vehicles	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Property - Freehold and Leasehold	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Retention of Title	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Sale of Business / Assets	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Third Party Assets	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	1.6	896.00	0.0	0.00	0.0	0.00	1.6	896.00	560.00
<b>Creditors</b>									
Employees	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Preferential	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Secured	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Shareholders	1.0	560.00	0.0	0.00	0.0	0.00	1.0	560.00	560.00
Unsecured	3.0	1680.00	30.0	11081.50	0.0	0.00	33.0	12761.50	387.30
	4.0	2240.00	30.0	11081.50	0.0	0.00	34.0	13321.50	392.39
<b>Other Matters Include.</b>									
Litigation	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Pensions	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Tax and VAT	0.0	0.00	0.0	0.00	1.2	270.00	1.2	270.00	225.00
Other	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	0.0	0.00	0.0	0.00	1.2	270.00	1.2	270.00	225.00
<b>TOTAL HOURS &amp; COST</b>	8.1	4536.00	48.5	17566.50	1.2	270.00	57.8	22372.50	387.40

TOTAL FEES DRAWN TO DATE

0.00



## Time costs for the period to 16 May 2011

ROM Realisations Limited

(In Administration)

	Partners, Associate Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration and Planning</b>									
Cashiering and Statutory Filing	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
Case Supervision, Management and Closure	0 0	0 00	12 2	4514 00	0 0	0 00	12 2	4514 00	370 00
Initial Actions (e.g. Notification of Appointment, Securing Assets)	1 5	840 00	28 0	9325 00	0 0	0 00	29 5	10165 00	344 58
Liaison with Other Insolvency Practitioners	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
	1 5	840 00	40 2	13839 00	0 0	0 00	41 7	14679 00	352 01
<b>Investigations</b>									
Investigations	2 0	1120 00	0 0	0 00	0 0	0 00	2 0	1120 00	560 00
Reports on Directors' Conduct	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
	2 0	1120 00	0 0	0 00	0 0	0 00	2 0	1120 00	560 00
<b>Trading</b>									
Trading and Ceasing to Trade	0 0	0 00	7 0	1960 00	0 0	0 00	7 0	1960 00	280 00
	0 0	0 00	7 0	1960 00	0 0	0 00	7 0	1960 00	280 00
<b>Realisation of Assets</b>									
Book Debts	1 9	1064 00	0 0	0 00	0 0	0 00	1 9	1064 00	560 00
Other Assets (e.g. Stock)	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
Plant and Equipment, Fixtures and Fittings and Vehicles	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
Property - Freehold and Leasehold	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
Retention of Title	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
Sale of Business / Assets	2 4	1344 00	37 5	16125 00	0 0	0 00	39 9	17469 00	437 82
Third Party Assets	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
	4 3	2408 00	37 5	16125 00	0 0	0 00	41 8	18533 00	443 37
<b>Creditors</b>									
Employees	2 0	1120 00	0 0	0 00	0 0	0 00	2 0	1120 00	560 00
Preferential	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
Secured	5 0	2800 00	0 0	0 00	0 0	0 00	5 0	2800 00	560 00
Shareholders	0 8	448 00	0 0	0 00	0 0	0 00	0 8	448 00	560 00
Unsecured	10 4	5824 00	31 5	11636 50	0 0	0 00	41 9	17460 50	417 22
	18 2	10192 00	31 5	11636 50	0 0	0 00	49 7	21828 50	439 65
<b>Other Matters Include</b>									
Litigation	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
Pensions	0 0	0 00	3 5	980 00	0 0	0 00	3 5	980 00	280 00
Tax and VAT	1 5	840 00	1 4	532 00	0 0	0 00	2 9	1372 00	473 10
Other	0 0	0 00	0 0	0 00	0 0	0 00	0 0	0 00	0 00
	1 5	840 00	4 9	1512 00	0 0	0 00	6 4	2352 00	367 50
<b>TOTAL HOURS &amp; COST</b>	27 5	15400 00	121 1	45072 50	0 0	0 00	148 6	60472 50	407 09

TOTAL FEES DRAWN TO DATE

0 00

## Time costs for the period to 16 May 2011

SHK Limited

(In Administration)

	Partners, Associate Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
<b>Administration and Planning</b>									
Cashiering and Statutory Filing	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Case Supervision, Management and Closure	0.0	0.00	8.0	2960.00	0.0	0.00	8.0	2960.00	370.00
Initial Actions (e.g. Notification of Appointment, Securing Assets)	0.0	0.00	9.5	3515.00	0.0	0.00	9.5	3515.00	370.00
Liaison with Other Insolvency Practitioners	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	0.0	0.00	17.5	6475.00	0.0	0.00	17.5	6475.00	370.00
<b>Investigations</b>									
Investigations	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Reports on Directors' Conduct	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
<b>Trading</b>									
Trading and Ceasing to Trade	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
<b>Realisation of Assets</b>									
Book Debts	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Other Assets (e.g. Stock)	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Plant and Equipment, Fixtures and Fittings and Vehicles	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Property - Freehold and Leasehold	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Retention of Title	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Sale of Business / Assets	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Third Party Assets	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
<b>Creditors</b>									
Employees	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Preferential	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Secured	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Shareholders	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Unsecured	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
<b>Other Matters Include</b>									
Litigation	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Pensions	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Tax and VAT	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
Other	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
	0.0	0.00	0.0	0.00	0.0	0.00	0.0	0.00	0.00
<b>TOTAL HOURS &amp; COST</b>	0.0	0.00	17.5	6475.00	0.0	0.00	17.5	6475.00	370.00

TOTAL FEES DRAWN TO DATE

0.00

Rule 2 72

Form 4 25

## PROOF OF DEBT - GENERAL FORM

In the matter of Romag Holdings Plc  
In Administration  
and in the matter of The Insolvency Act 1986

Date of Administration 4 April 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 liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator 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	

Rule 2 72

Form 4 25

## PROOF OF DEBT - GENERAL FORM

in the matter of ROM Realisations Limited  
In Administration  
and in the matter of The Insolvency Act 1986

Date of Administration 4 April 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 liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator 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	

Form 2 21B

Rule 2 37

## Creditor's request for a meeting

Name of Company

Romag Holdings Plc

Company number

2820227

In the

High Court of Justice, Leeds District Registry  
(full name of court)

Court case number

496 of 2011

(a) Insert full name and  
address of the creditor  
making the request

I (a)

(b) Insert full name and  
address of registered  
office of the company

request a meeting of the creditors of (b)  
Romag Holdings Plc

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and  
address(es) of creditors  
concurring with the  
request (if any) and their  
claims in the  
administration if the  
requesting creditor's  
claim  
is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of  
concurrence

(e) Insert details of the  
purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated

Form 2 21B

Rule 2 37

## Creditor's request for a meeting

Name of Company

Romag Holdings Plc

Company number

2820227

In the

High Court of Justice, Leeds District Registry  
(full name of court)

Court case number

496 of 2011

(a) Insert full name and  
address of the creditor  
making the request

I (a)

(b) Insert full name and  
address of registered  
office of the companyrequest a meeting of the creditors of (b)  
Romag Holdings Plc

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and  
address(es) of creditors  
concurring with the  
request (if any) and their  
claims in the  
administration if the  
requesting creditor's  
claim  
is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of  
concurrence(e) Insert details of the  
purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated

Form 2 21B

Rule 2 37

## Creditor's request for a meeting

Name of Company

SHK Limited

Company number

00988493

In the

High Court of Justice, Leeds District Registry  
(full name of court)

Court case number

498 of 2011

(a) Insert full name and  
address of the creditor  
making the request

I (a)

(b) Insert full name and  
address of registered  
office of the companyrequest a meeting of the creditors of (b)  
SHK Limited

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and  
address(es) of creditors  
concurring with the  
request (if any) and their  
claims in the  
administration if the  
requesting creditor's  
claim  
is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of  
concurrence(e) Insert details of the  
purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated