

The Insolvency Act 1986

Administrator's progress report

Name of Company GP Fabrications Limited	Company number 03133138
In the Leeds District Registry [full name of court]	Court case number 504 of 2009

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

I (a) Michael Chamberlain of Chamberlain & Co, Aireside House, 24/26 Aire Street, Leeds, LS1 4HT.

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

(b) Insert dates

from

to

(b) 18 August 2009

(b) 27 January 2010

Signed


Administrator

Dated

27/1/2010

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

	Tel
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff



P00B3H5D

01/02/2010

134

COMPANIES HOUSE

PC1

MONDAY

Rule 1.13

Insolvency Act 1986

PROXY

GP FABRICATIONS LIMITED

(IN ADMINISTRATION)

and

IN THE MATTER OF THE INSOLVENCY ACT 1986

*Delete Title not

applicable

+Insert the name of the
companyNotes to help completion
of the formPlease give full name and
address for communication

Name of creditor _____

Address _____

Please insert name of person
(who must be 18 or over) or
the 'chairman of the meeting'

Name of proxy-holder

(see note below). If you wish
to provide for alternative proxy-
holders in the circumstances that
your first choice is unable to
attend please state the name(s)

1 _____

2 _____

3 _____

of the alternatives as well.

Please delete words in
brackets if the proxy-holder
is only to vote as directed i.e.
he has no discretion.**I appoint the above person to be my/the creditor's proxy-holder at the
meeting of creditors to be held on Monday 15 February 2010, or at any
adjournment of that meeting. The proxy-holder is to propose or vote
as instructed below****[and in respect of any resolution for which no specific instruction is
given, may vote or abstain at his/her discretion].****VOTING INSTRUCTIONS FOR RESOLUTIONS**

*Please delete as appropriate

**1. For the extension of the duration of the Administration order to 17
August 2010.****FOR/AGAINST**Any other resolutions which
the proxy-holder is to propose
or vote in favour of or against
should be set out in numbered
paragraphs in the space provided
below Paragraph 1. If more room
is required please use the other
side of this form._____

_____This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____Only to be completed if the
creditor has not
signed in person

Position with creditor or relationship to creditor or other authority for signature

**REMEMBER: THERE MAY BE RESOLUTIONS ON THE OTHER
SIDE OF THIS FORM**

Notice of a meeting of creditors

Name of Company GP Fabrications Limited	Company number 03133138
In the Leeds District Registry [full name of court]	Court case number 504 of 2009

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

Notice is hereby given by (a) Michael Chamberlain of Chamberlain & Co, Aireside House, 24/26 Aire Street, Leeds, LS1 4HT

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

that a meeting of the creditors of (b) GP Fabrications Limited, c/o Chamberlain & Co, Aireside House, 24/26 Aire Street, Leeds, LS1 4HT

(c) Insert details of place of meeting

is to be held at (c) Aireside House, 24/26 Aire Street, Leeds, LS1 4HT

(d) Insert date and time of meeting

on (d) 15 February 2010 at 15.00 hrs.

The meeting is:

* Delete as applicable


~~*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ("the Schedule");~~
~~*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule;~~
~~*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule;~~
~~*(4) a further creditors' meeting under paragraph 56 of the Schedule;~~
 *(5) a creditors' meeting under paragraph 62 of the Schedule.

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed



Administrator

Dated

12/1/2010

* Delete as applicable

**GP FABRICATIONS LIMITED
(IN ADMINISTRATION)**

LEEDS DISTRICT REGISTRY No. 504 of 2009

**Report to Creditors pursuant to
Section 2.47 of the Insolvency Rules 1986
(to support the extension of the Administration Order)**

**Chamberlain & Co
27 January 2010**

1 Introduction

Michael Chamberlain was appointed Administrator of GP Fabrications Limited ("the Company") on 18 February 2009 by the Company's directors pursuant to paragraph 22 of Schedule B1 of the Insolvency Act 1986 ("The Act").

Michael Chamberlain is authorised to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales.

The EC Regulation on Insolvency Proceedings 2000 will apply in this matter and these proceedings will be the main proceedings as defined by Article 3 of the EC Regulation. The Company's registered office and centre of main interests are in the United Kingdom.

In accordance with Rule 2.47 of the Insolvency Rules 1986, I now set out my second progress report on the conduct of the administration.

The report includes certain information required to be provided to creditors in accordance with Rule 2.47 of the Insolvency Rules 1986 (as amended), which includes statutory information in respect of the Company which is attached at Appendix 1.

2 Circumstances Giving Rise to the Appointment of the Administrator

The Company was incorporated in December 1995 and commenced trading from the leasehold premises at 10-13 Ashmount Industrial Park, Ford Street, Kinsley, Pontefract, WF9 5EE.

The company traded successfully until autumn 2008 when it experienced a steep decline in customer orders with the result that the company began to fall into arrears with payments to H M Revenue & Customs and by January 2009 its turnover was insufficient to sustain accommodation, staffing and operating costs.

On the recommendation of the company's accountant the directors met with Chamberlain & Co, licensed insolvency practitioners, on 5 February 2009 and 17 February 2009 to seek advice regarding the company's position.

The directors were of the view that the turnover available to the company in the foreseeable future would be insufficient to meet operating costs and allow the company to make payments to its creditors as part of a company voluntary arrangement. Michael Chamberlain, a licensed insolvency practitioner, of Chamberlain & Co advised the directors that to place the Company into Administration would afford the Company protection from its creditors whilst the director considered whether it could be restructured and refinanced or realisations be maximised by a sale of the business and assets as a going concern. The directors at a board meeting held on 17 February 2009 concluded that the Company was unable or unlikely to become able to pay its debts as they fell due and that the Company should be placed into Administration.

3 Purpose of the Administration

The purpose of the administration order is to protect the Company's chattel assets from any precipitative action of individual creditors whilst the possibility of a sale as a going concern is fully explored and all discussions taken to a conclusion. A sale as a going concern would enhance realisations and achieve a better result for creditors than would be the case if the Company was immediately wound up in these circumstances. It is also more likely to enhance any distribution available to the preferential creditors.

4 Administrator's Proposals

The administrator's proposals were circulated to creditors on 7 April 2009.

5 Realisation of Assets

Upon my appointment I contacted the various interested parties provided by the company's director who were interested in purchasing the assets of the company. I also advertised the Company's assets for sale on www.businessesforsale.com, and an advert was also placed in the Yorkshire Post by my agents.

After exploring various bids, clarifying these and agreeing heads of terms, a sale was agreed to the highest offeror on 5 March 2009. The Company's customer list, equipment, goodwill, name, stock, telephone numbers and book debts were sold to GPS Fabrications Limited, a company incorporated by Steven Wolski specifically for the purpose. The initial consideration was £7,000 with a deferred consideration of £10,500 on 3 April 2009 and £10,500 on 3 May 2009. The consideration payable can be analysed as follows:

Customer List	£1
Equipment	£12,000
Goodwill	£1
Name	£1
Stock	£996
Telephone Numbers	£1
Debtors	<u>£15,000</u>
	£28,000

A further amount of £1,057.17 has been identified in respect of book debts which was assigned to GPS Fabrication Limited which has increased the amount due under the sale consideration to £29,057.17. In respect of the deferred consideration £19,772.27 has been received from GPS Fabrications Limited with a further £9,284.90 due under the sale agreement. The purchaser is presently challenging the valuation of goodwill and book debts included in the sale agreement. It is expected that the balance will be received in due course either with or without the exercise of formal recovery actions.

As advised in my previous report of the 7 April 2009 a balance of £18,902.38 was received from the Company's bank. After an analysis of the funds received it was established that this balance included £9,905.32 which was received into the Company's bank account post appointment from trade debtors included in the sale of the business and assets to GPS Fabrications Limited.

A rates refund of £1,050.89 has been received from Wakefield Metropolitan District Council.

6 Receipts and Payments account

An abstract of the Administrator's receipts and payments for the period 18 February 2009 to 27 January 2010 is attached at Appendix 2.

All transactions are shown net of VAT.

7 Estimated outcome for creditors

7.1 Secured creditors

The Company granted no charges.

7.2 Preferential creditors

Since my appointment I have been made aware of employees' claims in respect of outstanding wages and holiday pay in the sum of £5,112.04.

7.3 Unsecured creditors

From information available to me from the Company's records, non-preferential claims are estimated at approximately £94,871. It is unlikely that there will be sufficient realisations to enable a distribution to be made to this class of creditor.

8 Administrator's Remuneration

It was proposed and agreed by a meeting of creditors on 24 April 2009 that the Administrator will be remunerated on a time cost basis in accordance with Rule 2.106(2) (b) of the Insolvency Rules 1986.

You will note from the enclosed receipts and payments account that I have drawn remuneration of £15,000. The time costs expended by myself and my staff in attending to matters arising in the administration for the period 18 February 2009 to 27 January 2010 were approximately £27,655.50 at an average hourly rate of £157. A summary of time costs incurred for the period is appended to this report. In common with all professional firms our scale rates increase from time to time over the period of administration of each insolvency case. Full details, including any increases relating to this case are available on application.

As agreed at the meeting of creditors on 27 April 2009 and in accordance with the administrator's proposals I have drawn £3,774.00 in respect of the time spent determining that it was reasonably likely that the purpose of the administration would be achieved and in the completion of Form 2.2B and preparation of other court documents.

My disbursements total £1,028.64 and comprise the cost of the specific bond at £300, Companies House search fees at £6, court fee at £30, statutory advertising at £457.20, redirection of mail at £14.85, storage costs at £47.41, insurance of assets at £161.70 and mileage at the Inland Revenue approved rate of £11.48. All disbursements have been charged at cost.

Messrs Eddisons were instructed to provide a valuation of the company's assets and advice on the sale of the assets. I have paid the sum of £1,472.30 plus VAT to Eddisons in connection with this work.

HLW Commercial Lawyers ("HLW") have been paid £4,542.67 plus VAT in connection with their assistance with the sale of the Company's assets and goodwill and pertaining to the administration generally including problems with the Company's landlord upon appointment.

I consider Eddisons and HLW to be firms of repute and to have the appropriate expertise in their fields. My experience of working with these firms indicates that their charge out rates and internal delegation result in charges which are cost effective for this kind of work.

9 Creditors' Meeting

It is proposed that a meeting of creditors to consider the extension of the duration of the administration be extended for a further 6 months to 17 August 2010 in order to receive the balance of the deferred sale consideration will be held at the offices of Chamberlain & Co, Aireside House, 24/26 Aire Street, Leeds LS1 4HT on Monday 15 February 2010 at 3.00pm. Having considered the location of creditors, I consider Leeds, West Yorkshire to be as convenient a location as any. I am required to consider the convenience of creditors when holding any general meeting. In my experience, creditors seldom attend such meetings, and these meetings are therefore being held at the above address to keep costs down. If you wish to attend the meetings and consider that the proposed venue is inconvenient, please let me know within the next seven days so that I can make alternative arrangements. Formal notice of the meeting is enclosed together with a form of proxy.

10 Conclusion

In accordance with the terms of the Administrator's proposals, once realisations are complete, the Administrator will proceed to have the company dissolved as there are insufficient realisations to enable a distribution to be made to unsecured creditors.

If you require any further information, please contact my colleague, David Render.

A handwritten signature in black ink, appearing to read 'M Chamberlain'. The signature is stylized with a large 'M' and a cursive 'Chamberlain'.

M Chamberlain
Administrator

APPENDIX I

The administrator appends below the information required under Rule 2.33 of the Insolvency Rules 1986:

Statutory Information

Company Name:	GP Fabrications Limited
Company Number:	03133138
Registered Office:	c/o Chamberlain & Co, Aireside House, 24/26 Aire Street, Leeds, LS1 4HT previously 10-13 Ashmount Industrial Park, Ford Street, Kinsley, Pontefract, WF9 5EE
Objects:	To carry on business as a manufacturer of other fabricated metal products
Company Directors:	Paul Harris Gary Shorthouse
Company Secretary:	Paul Harris
Nominal Share Capital:	£1,000 divided into 1,000 ordinary shares of £1
Issued Share Capital:	£1,000
Shareholders:	Paul Harris 500 Gary Shorthouse 500
Administrator:	Michael Chamberlain
Administrator's Address:	Aireside House 24/26 Aire Street Leeds LS1 4HT
Date of Administration:	18 February 2009
Applicant:	The company directors Paul Harris and Gary Shorthouse
Debentures & Charges:	None
Nature of Business:	The Company's principle activity was the manufacturer of other fabricated metal products

GP Fabrications Limited
(In Administration)
Administrator's Abstract of Receipts & Payments

Statement of Affairs		From 18/08/2009 To 27/01/2010	From 18/02/2009 To 27/01/2010
ASSET REALISATIONS			
12,000.00	Equipment	NIL	7,450.00
996.00	Stock	NIL	NIL
28,321.92	Book Debts	NIL	12,322.27
1.00	Telephone Numbers	NIL	NIL
1.00	Customer List	NIL	NIL
1.00	Name	NIL	NIL
1.00	Goodwill	NIL	NIL
9,000.00	Cash at Bank	NIL	8,997.06
	Rates Refund	NIL	1,050.89
		<u>NIL</u>	<u>29,820.22</u>
COST OF REALISATIONS			
	Specific Bond	NIL	300.00
	Pre Appointment Fees	NIL	3,774.00
	Administrator's Remuneration	NIL	15,000.00
	Court Fee	NIL	30.00
	Search Fees	NIL	6.00
	Agents/Valuers Fees	NIL	1,472.30
	Legal Fees	NIL	4,542.67
	Storage Costs	23.64	47.41
	Re-Direction of Mail	NIL	14.85
	Statutory Advertising	NIL	457.20
	Insurance of Assets	NIL	161.70
	Travel Expenses	NIL	11.48
		<u>(23.64)</u>	<u>(25,817.61)</u>
PREFERENTIAL CREDITORS			
(3,078.95)	Employees - Wage Arrears	NIL	NIL
(1,519.20)	Employees - Holiday Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
UNSECURED CREDITORS			
(23,411.87)	Trade & Expense	NIL	NIL
(47,057.67)	Employees - Redundancy	NIL	NIL
(35,746.80)	Employees Pay in lieu of notice	NIL	NIL
(623.89)	Employees -Arrears of Wages	NIL	NIL
(9,774.42)	Inland Revenue	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(70,890.88)</u>		<u>(23.64)</u>	<u>4,002.61</u>
REPRESENTED BY			
	VAT Receivable		118.05
	Current A/c		3,884.56
			<u>4,002.61</u>

.....
Michael Chamberlain
Administrator

Chamberlain & Co

TIME & CHARGEOUT SUMMARIES

GP Fabrications Limited Fabrications

18/02/2009 to 27/01/2010

HOURS

Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	7.00	8.25	21.70	30.10	67.05	8,049.25	120.05
Investigations	3.30	0.30	5.90	9.95	19.45	2,354.25	121.04
Realisation of Assets	27.00	5.60	14.60	1.50	48.70	10,320.50	211.92
Creditors	14.50	1.10	17.20	7.70	40.50	6,931.50	171.15
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Time Cost	13,432.00	3,014.75	8,437.00	2,771.75		27,655.50	
Total Hours	51.80	15.25	59.40	49.25	175.70		
Average Rate	259.31	197.69	142.04	56.28			

Total Fees Claimed	15,000.00
--------------------	-----------