

2.24B**Administrator's progress report**

Name of Company LIC Components Limited

Company number 03338448

In the High Court Birmingham District Registry [full name of court]

Court case number 8735 of 2009

We
Andrew Stephen McGill
KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

Mark Jeremy Orton
KPMG LLP
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

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

from	to
2 December 2009	1 June 2010

Signed


Joint Administrators

Dated

25 June 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.

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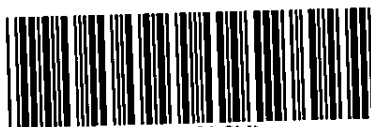
Tel
DX Exchange

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

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02/07/2010
COMPANIES HOUSE

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Rule 2 48

Notice of**correspondence**

Name of Company

LIC Components Limited

Company number

03338448

In the

High Court Birmingham District Registry

[full name of court]

Court case number

8735 of 2009

Notice is hereby given by
 Andrew Stephen McGill & Mark Jeremy Orton
 KPMG LLP
 One Snowhill
 Snow Hill Queensway
 Birmingham
 B4 6GH

to the creditors of LIC Components Limited, Registered office as above,
 That, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, below are 2 resolutions
 for your consideration Please indicate below whether you are in favour or against each resolution

This form must be received at KPMG LLP at the above address by 12 00 hours on 12 July 2010 in
 order to be counted It must be accompanied by details in writing of your claim Failure to do so
 will lead to your vote(s) being disregarded

Repeat as necessary for

Resolution 1-That upon the filing of their final receipts and
 payments account with the Registrar of Companies, the Joint
 Administrators of LIC Components Limited shall be discharged
 from any liability in respect of their actions as administrators

I am *in Favour / Against

number of resolutions

Resolution 2 -That the Joint Administrators be authorised to draw
 fees on account from the assets of LIC Components Limited from
 time to time during the period of the administration, based on time
 properly spent at KPMG LLP Time costs incurred by the
 administrator reflect time actually spent by KPMG's staff who
 work on this assignment Also, that the Joint Administrators be
 authorised to draw disbursements"

I am *in Favour / Against

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor _____

Signature of creditor _____

(If signing on behalf of creditor, state capacity e.g. director / solicitor)

If you require any further details or clarification prior to returning your votes, please
 Contact us at the address above

Signed _____

Joint Administrators

Dated

25 June 2010

Creditor's statement of claim

LIC Components Limited - In Administration

Date of administration 2 December 2009

Creditor's name and address

Gross amount due to creditor at date of
administration order [inclusive of VAT]

£

Deduct:

- | | | | |
|-----|--|----|---|
| (a) | any subsequent payment on account | £(|) |
| (b) | any subsequent credit notes | £(|) |
| (c) | the estimated value of any security held | £(|) |
| (d) | the estimated value of any retention of title rights | £(|) |

Amount of claim for voting purposes

£

Signature

Position in company

Date

For use by the administrators only

Claim admitted for voting purposes [Initials] [Amount]£



**LIC Components Limited -
in Administration**

Report to Creditors pursuant to Rule 2.47 of
the Insolvency (Amendment) Rules 2003
25 June 2010

KPMG LLP Restructuring
awg/sn/1F/002



KPMG LLP
25 June 2010

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Appendix 1 – Statutory information
Appendix 2 – Time cost analysis
Appendix 3 – Receipts and payments
Appendix 4 – Form 2 24B



KPMG LLP
25 June 2010

1 Glossary

Joint Administrators	Mark Jeremy Orton and Andy Stephen McGill of KPMG LLP
LIC / the Company	LIC Components Limited – in administration (Company registered number 03338448)
The Act	The Insolvency Act 1986

2 Introduction

At the request of the Company, acting by its directors, Mark Jeremy Orton and Andy Stephen McGill of KPMG LLP were appointed Joint Administrators of LIC Components Limited in administration on 2 December 2009 in the High Court of Justice, Chancery Division, Birmingham District Registry. The Court case number is 8735 of 2009.

In accordance with Rules 2.47 and 2.112(1) of the Insolvency (Amendment) Rules 2003 we are writing to provide an update on the progress of the administration for the 6 month period 2 December 2009 to 1 June 2010.

An abstract receipts and payments account for the period is attached at Appendix 3. Other information required by Rule 2.47 of the Insolvency (Amendment) Rules 2003 is attached at Appendix 1 together with a schedule of Administrators' time costs to date at Appendix 2.

In accordance with Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986, the functions of the Joint Administrators are being exercised by any of the Joint Administrators.

3 Joint Administrators' Proposals

In accordance with Paragraph 52(1) of Schedule B1 of the Insolvency Act 1986, the Joint Administrators dispensed with the requirement to summon an initial meeting of creditors under Paragraph 51 of Schedule B1 as the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of section 176A(2)(a) of the Insolvency Act 1986, the prescribed part.

The Joint Administrators are duty bound to summon an initial creditors' meeting if requested by creditors of the Company whose debts amount to at least 10% of the total debts of the Company in the prescribed manner and within the prescribed period under Paragraph 52(2) of Schedule B1 of the Insolvency Act 1986. Under Rule 2.37 of the Insolvency Rules 1986, this request must be made using Form 2.21B and be made within 12 days of the date on which these proposals are sent out.

No meeting of creditors was requisitioned in accordance with the above. Therefore the Administrators' proposals were deemed to have been approved by the creditors, pursuant to Rule 2.33(5) of the Insolvency Rules 1986.

4 Purpose and Progress of Administration

4.1 Purpose of the administration

The Joint Administrators have performed their functions with the Paragraph 3(1)(b) objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration)

4.2 Progress of the administration

4.2.1 Trading

As detailed in our previous report to creditors, the Company continued to trade under the control of the Joint Administrators whilst sale options were explored with a view to maximising realisations to creditors of the Company. Unfortunately a going concern sale of the business was not achieved and finally the sale of LIC Components' fixed assets took place on 14 January 2009. The Company finished trading shortly thereafter on 29 January 2010.

The collection of trading debts is now virtually complete, with only a small balance of £11,321.93 in dispute. This is being handled by the third party solicitors Shakespeare Putsman LLP and we estimate it will be concluded within the next couple of months.

All the trading expenditure has now been settled with the exception of few utility bills and security services which are required in connection with the former trading premises.

The Joint Administrators have sent the necessary documentation in order to informally surrender the interest on the former Company's trading premises. This surrender has yet to be agreed by the landlord and therefore it is likely to be disclaimed as soon as the Company is placed into Creditors' Voluntary Liquidation.

4.2.2 Sale of business

As mentioned above and confirmed in our previous report to creditors, the sale of LIC Components' fixed assets, primarily plant & machinery, to a Group company, Currie and Warner Limited was achieved on 14 January 2009 for a cash consideration in the sum of £152,500 plus VAT, being the highest offer received for those assets. The Joint Administrators were advised to accept this offer by the independent valuers GVA Grimley LLP. Also, a license to occupy the Company trading premises was also granted to Currie and Warner for the period from 22 January 2010 to 31 March 2010, solely to allow for the orderly removal of the assets.

The consideration was allocated as follows:

Asset	Consideration £
Plant & machinery	149,000
Furniture and equipment	1,100
Motor Vehicles	2,400
Total	152,500

4.2.3 Debtors

As previously reported to creditors, the sales ledger at appointment stood at approximately £315,058. The collection of the book debts has now been finalised and realisations achieved in this respect total £293,074. The remainder of the ledger has been written off due to the settlement of several credit and debit notes.

4.2.4 Administrators' Time Costs

KPMG LLP time costs to 1 June 2010 are £326,304.50 representing 1,173.80 hours at an average rate of £277.99 per hour. A detailed analysis of this is attached at appendix 2. Key areas where costs have been incurred are as follows:

- Negotiating with interested parties in respect of the sale of business,
- Taking control of the Company and assets during the administration and trading the business for a period of 2 months,
- Monitoring and progressing debtor collections,
- Dealing with creditor queries, and
- Attending to all statutory duties that are associated with this type of insolvency.

To date, no fees have been drawn, although it is anticipated that our fees for this assignment will be restricted to a total of £150,000 as per the agreement with the charge holder. The fees will be drawn shortly as soon as authorisation is received from the secured and preferential creditors.

5 Funds available to creditors

5.1 Secured creditors

As explained in our previous report, Glenson (Holdings) Limited holds a fixed and floating charge debenture over the Company's assets created on 9 May 1997.

As at the date of our appointment the indebtedness of the Company under this debenture was approximately £375,000.

It is expected that Glenson will be repaid in full from fixed and floating charge realisations attributable to the sale of the Company's assets and the collection of book debts. This settlement will be carried out as soon as the Joint Administrators receive confirmation of debt from the charge holder.

5.2 Preferential creditors

The preferential claims are made up of holiday pay, accrued wages and salaries and subrogated claims. We estimate these claims to be approximately £49,000.

There is an employee's outstanding claim being dealt with by the Employment Tribunal. The Joint Administrators hope the preferential claims will be repaid in full from floating charge realisations as soon as this outstanding claim is concluded.

5.3 Unsecured creditors

As the Joint Administrators have achieved significantly higher than forecast realisations, it is now anticipated that there will be funds available to enable a distribution to unsecured creditors, although the timing and quantum is not yet known. The amount is largely dependent on the final level of creditor claims received and agreed as well as the outcome of the trading debt collection.

5.4 Prescribed Part estimate

In accordance with Section 176A(2) of the Insolvency Act 1986, as added by the Enterprise Act 2002, the Joint Administrators are required to set aside a prescribed part of the Company's net property for the benefit of unsecured creditors that would otherwise be available to the secured floating charge holder, unless the charge in respect of which the security arises pre-dates 15 September 2003. However, as the fixed and floating charge was created in 1997, the prescribed part does not apply.

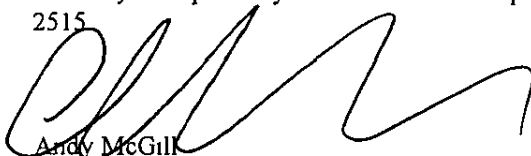
6 Other matters

EC regulations will apply and these proceedings will be the main proceedings as defined in Article 3 of the EC Regulations. The centre of main interest of the Company is in England within the EC.

7 Future Strategy

The Joint Administrators propose to progress the outstanding issues mentioned above and to flip the Company into Creditors Voluntary Liquidation within the next month in order to disclaim the interest on the trading premises lease and avoid incurring further related costs. Also, the Joint Administrators propose to distribute any available funds to unsecured creditors once the Company is placed into Creditors' Voluntary Liquidation.

Should you require any further information please contact Margarita Larraga on 0121 335 2515.



Andy McGill
Joint Administrator

The affairs, business and property of the company are being managed by the joint administrators.

Andy McGill is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of England & Wales.

Mark Orton is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association.



KPMG LLP
25 June 2010

Appendix 1

Statutory information – LIC Components Limited

Date of incorporation	24 March 2997
Company registration number	03338448
Trading names	LIC Components Limited
Present registered office	One Snowhill, Snow Hill Queensway, Birmingham, B4 6GH
Previous registered office	Summer Hill Works, Powell Street, Birmingham, B1 3DH
Trading addresses	Curriers Close, Canley, Coventry, CV4 8AW
Directors' shareholdings	NA
Directors	Martyn Ian Lloyd Keith Sedgebear
Company secretary	Matthew Spencer Lloyd



KPMG LLP
25 June 2010

Appendix 2

Time Cost Analysis for the period 2 December 2009 to 1 June 2010:

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Trading							
Asset Realisation							
Health & safety		2 00	6 00		8 00	£1,990 00	£248 75
Cashiering							
Fund management			6 00		6 00	£1,350 00	£225 00
General (Cashiering)	0 80		29 00	8 50	38 30	£7,559 50	£197 38
Reconciliations (& IPS accounting reviews)				1 40	1 40	£147 00	£105 00
Employees							
Correspondence		42 10	0 50		42 60	£13 584 50	£318 88
Pensions reviews		0 50	6 10		6 60	£1,532 50	£232 20
Tax							
Initial reviews - CT and VAT		5 90	0 10		6 00	£1,904 50	£317 42
Post appointment corporation tax			1 80		1 80	£297 00	£165 00
Post appointment VAT		0 20			0 20	£64 00	£320 00
Trading							
Cash & profit projections & strategy	11 00		13 00		24 00	£7,765 00	£323 54
Purchases and trading costs			87 00		87 00	£16 275 00	£187 07
Sales		29 00	43 00		72 00	£21,420 00	£297 50
Administration & planning							
Cashiering							
Fund management			5 00		5 00	£1,125 00	£225 00
General (Cashiering)	1 30		33 65	43 30	78 25	£12,340 25	£157 70
Reconciliations (& IPS accounting reviews)			3 00	0 60	3 60	£738 00	£205 00
General							
Books and records			7 00		7 00	£1,575 00	£225 00
Joint appointee		3 00			3 00	£1,215 00	£405 00
Shareholders/Bankrupt							
Reports to OR on conduct				6 85	6 85	£719 25	£105 00
Statutory and compliance							
Appointment and related formalities	2 00	32 50	109 45	0 20	144 15	£35,464 25	£246 02
Bonding and bordereau			1 80		1 80	£405 00	£225 00
Checklist & reviews		10 00	7 40		17 40	£5,715 00	£328 45
Pre-appointment checks	4 00	17 00			21 00	£7,200 00	£342 86
Reports to debenture holders	5 00	24 00			29 00	£11,920 00	£411 03
Statutory receipts and payments							
accounts	3 00				3 00	£1 320 00	£440 00
Strategy documents	1 50	4 00			5 50	£2,280 00	£414 55
Tax							
Initial reviews - CT and VAT			7 20		7 20	£1,188 00	£165 00
Post appointment corporation tax		14 60	16 00		30 60	£8 643 00	£282 45
Post appointment PAYE		1 80			1 80	£576 00	£320 00
Post appointment VAT		4 70	20 30		25 00	£6,059 50	£242 38
Creditors							
Creditors and claims							
General correspondence		2 50	34 45	2 75	39 70	£8,669 00	£218 36
ROT Claims			36 00		36 00	£7 200 00	£200 00
Secured creditors			16 50		16 50	£3,712 50	£225 00
Statutory reports	6 00		19 00		25 00	£6 915 00	£276 60
Employees							
Agreeing employee claims		0 40			0 40	£128 00	£320 00
Correspondence		5 10	0 50	3 85	9 45	£2,148 75	£227 38
DTI redundancy payments service		1 60			1 60	£512 00	£320 00
Pensions reviews			0 20		0 20	£45 00	£225 00
Investigation							
Directors							
D form drafting and submission		2 00	14 60		16 60	£3 865 00	£232 83
Statement of affairs			0 80		0 80	£132 00	£165 00
Investigations							
Correspondence re investigations			0 50		0 50	£82 50	£165 00
Mail redirection			2 00		2 00	£360 00	£180 00
Realisation of assets							

awg/sn/1F/002

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KPMG LLP
25 June 2010

Asset Realisation					
Cash and investments		2 00	2 00	£450 00	£225 00
Debtors	31 00	30 00	61 00	£19,305 00	£316 48
Leasehold property	6 00	13 50	19 50	£5,467 50	£280 38
Office equipment, fixtures & fittings		1 00	1 00	£225 00	£225 00
Open cover insurance		5 50	5 50	£1 237 50	£225 00
Plant and machinery	46 00	6 50	52 50	£20 092 50	£382 71
Rent		0 50	0 50	£112 50	£225 00
Sale of business	31 00	98 50	19 00	£57,807 50	£389 28
Stock and WIP		21 00	9 00	£10,530 00	£351 00
Trading code used outside trading period					
Trading					
Cash & profit projections & strategy		1 00	1 00	£225 00	£225 00
Purchases and trading costs	1 50	17 00	18 50	£4,485 00	£242 43
Sales		1 00	1 00	£225 00	£225 00
Total in period			1 173 80	£326 304 50	£277 99

Schedule of KPMG LLP charge out rates for Restructuring and other partners and staff who may be used on this case

Grade	2008/09 £				
	Restructuring	Corp Tax	Indirect Tax	Pension	H&S
Partner	465	N/a	N/a	N/a	N/a
Director	400	N/a	N/a	N/a	N/a
Senior Manager	365	470	705	360	N/a
Manager	290	N/a	455	305	450
Senior Administrator	205	220	N/a	N/a	310
Assistant Administrator	150	125-165	185	80	N/a
Support	95	N/a	N/a	N/a	N/a



KPMG LLP
25 June 2010

Appendix 3

Receipts and payments from 2 December 2009 to 1 June 2010

LIC Components Limited
(In Administration)
Administrators' Trading Account
To 01/06/2010

S of A £	£	£
POST-APPOINTMENT SALES		
Sales	356,311 99	
Scrap Sales	13 645 69	
Rent Receivable	21,166 66	
	<hr/>	391 124 34
PURCHASES		
Purchases	14,939 53	
Retention of Title Claims	10,328 21	
	<hr/>	(25 267 74)
OTHER DIRECT COSTS		
Direct labour	61,754 42	
Sub contractors	8 705 05	
Consumable stores	2 269 54	
Employee deductions and pension	4,758 61	
	<hr/>	(77 487 62)
TRADING EXPENSES		
Rent	31,749 99	
Rates	11 031 04	
Heat & light	20,825 40	
Telephone/Telex/Fax	1 406 04	
Cartage	1,854 36	
Insurance	3,773 30	
Bank charges & interest	6 00	
HP/Leasing payments	731 00	
Repairs and maintenance	4 562 80	
Sundry expenses	344 72	
Vehicle running costs	363 97	
	<hr/>	(76 648 62)
<hr/> TRADING SURPLUS/(DEFICIT)		<hr/> 211,720 36 <hr/>

LIC Components Limited
(In Administration)
Administrators' Abstract of Receipts & Payments
To 01/06/2010

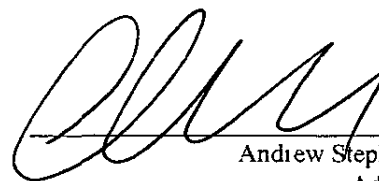
S of A £		£	£
	FIXED CHARGE COSTS		
	Bank charges	20 00	(20 00)
	FIXED CHARGE CREDITORS		
(374 896 00)	Fixed charge creditor	NIL	NIL
	ASSET REALISATIONS		
194 570 00	Plant & machinery	149 000 00	
1 420 00	Furniture & equipment	1 100 00	
2 500 00	Motor vehicles	2 400 00	
100 000 00	Stock and work in progress	NIL	
292 000 00	Book debts	293 073 64	
12 396 00	Prepayments and Accrued Income	NIL	
8 630 00	Tax refunds (pre-app'ent)	NIL	
17 239 00	VAT refunds (pre-app'ent)	NIL	
13 032 00	Cash at bank	13 031 62	
161 00	Petty Cash	88 71	
16 00	Other Debtors	NIL	
			458 693 97
	OTHER REALISATIONS		
	Bank interest, gross	45 77	
	Trading Surplus/(Deficit)	211 720 36	
	Sundry Receipts	16 47	
			211 782 60
	COST OF REALISATIONS		
	Agents' Valuers' fees	3 022 00	
	Legal fees	8 084 97	
	Professional Fees	10 039 65	
	Storage costs	1 738 57	
	Re-direction of mail	26 00	
	Statutory advertising	163 35	
	PAYE & NIC	16 605 83	
	Bank charges	191 42	
			(39 871 79)
	UNSECURED CREDITORS		
(212 536 00)	Trade & expense	NIL	
(41 842 00)	Accruals	NIL	
(17 795 00)	PAYE/NI	NIL	
(2 108 00)	Pension Deductions	NIL	
(371 00)	Other Creditors	NIL	
			NIL
	DISTRIBUTIONS		
(10 000 00)	Ordinary shareholders	NIL	
			NIL
(17 584 00)			630 584 78

LIC Components Limited
(In Administration)
Administrators' Abstract of Receipts & Payments
To 01/06/2010

S of A £	£	£
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REPRESENTED BY

Floating ch VAT rec'able	865 48
Floating charge current	628,307 38
Floating ch VAT payable	1 411 92
	<u>630,584.78</u>



Andrew Stephen McGill
Administrator



KPMG LLP
25 June 2010

Appendix 4

Form 2.24B

The Insolvency Act 1986

2.24B**Administrator's progress report**

Name of Company
LIC Components Limited

Company number
03338448

In the High Court Birmingham District Registry <small>[full name of court]</small>
--

Court case number 8735 of 2009

We
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KPMG LLP
One Snowhill
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B4 6GH

Mark Jeremy Orton
KPMG LLP
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Birmingham
B4 6GH

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

from	to
2 December 2009	1 June 2010

Signed


 Joint Administrators

Dated

25 June 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.

Margarita Larraga Bielsa	
KPMG LLP	
One Snowhill	
Snow Hill Queensway	
Birmingham	
B4 6GH	
DX Number	DX 709850 Birmingham 26
Tel	DX Exchange

Companies House receipt date bar code

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