

AM10

Notice of administrator's progress report



Companies House

FRIDAY



A23 *A819WDJ7* 15/03/2019 #25
COMPANIES HOUSE

1 Company details

Company number 03349189

Company name in full Orchid Plastics Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Richard

Surname Pinder

3 Administrator's address

Building name/number Leonard Curtis

Street 22 Gander Lane

Barlborough

Post town Chesterfield

County/Region

Postcode S43 4PZ

Country

4 Administrator's name ①

Full forename(s) Sean

Surname Williams

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street 22 Gander Lane

Barlborough

Post town Chesterfield

County/Region

Postcode S43 4PZ

Country

② Other administrator
Use this section to tell us about
another administrator.

AM10

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6 Period of progress report

From date	^d 2	^d 1	^m 0	^m 8	^y 2	^y 0	^y 1	^y 8
To date	^d 2	^d 0	^m 0	^m 2	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

R C R L

X

Signature date

^d 1	^d 4	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9
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LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

ORCHID PLASTICS LIMITED

(IN ADMINISTRATION)

Registered Number: 03349189

Court Ref: 2122 of 2018

High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD)

**Joint Administrators' second progress report in accordance
with Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

**Report period
21 August 2018 to 20 February 2019**

14 March 2019

**Richard Pinder and Sean Williams - Joint Administrators
Leonard Curtis
22 Gander Lane, Barlborough, Chesterfield S43 4PZ
Tel: 01246 385 775 Fax: 01246 385 776
General email: recovery@leonardcurtis.co.uk
Ref: A/45/KT/O220H/1010**

CONTENTS

1	Introduction
2	Statutory Information
3	Joint Administrators' Proposals
4	Progress of the Administration
5	Assets Still To Be Realised
6	Investigations
7	Joint Administrators' Remuneration and Disbursements
8	Joint Administrators' Expenses
9	Estimated Outcome for Creditors
10	Matters Still to be Dealt With
11	Extensions to the Administration
12	Next Report
13	Data Protection

APPENDICES

A	Summary of Joint Administrators' Approved Proposals
B	Summary of Joint Administrators' Receipts and Payments Account for the Period from 21 August 2018 to 20 February 2019 and Cumulative to 20 February 2019
C	Summary of Joint Administrators' Time Costs for the Period from 21 August 2018 to 20 February 2019
D	Summary of Joint Administrators' Total Time Costs to 20 February 2019 Incorporating a Comparison with the Joint Administrators' Approved Fees Estimate
E	Summary of Joint Administrators' Expenses for the Period from 21 August 2018 to 20 February 2019 Incorporating a Comparison with the Joint Administrators' Statement of Likely Expenses
F	<i>Leonard Curtis Policy regarding Fees, Expenses and Disbursements</i>
G	Estimated Outcome Statement
H	Privacy Notice

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NOT FOR PUBLICATION**

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules") to provide creditors with an update on the progress of the Administration of Orchid Plastics Limited ("the Company") for the period from 21 August 2018 to 20 February 2019. This is the Joint Administrators' second progress report to creditors.
- 1.2 Much of the information contained in this report encompasses the whole period of the Administration. Please be aware, however, that where reference is made to "the period of this report", this specifically means 21 August 2018 to 20 February 2019, being the period since the end of the period covered by the last progress report.

2 STATUTORY INFORMATION

- 2.1 Richard Pinder and Sean Williams were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD), number 2122 of 2018 on 21 February 2018. The Administration appointment was made by the Directors. The Joint Administrators can confirm that there has been no change in office-holder since the date of Administration.
- 2.2 The Administration is being handled by the Barlborough office of Leonard Curtis ("LC") which is situated at 22 Gander Lane, Balborough, Chesterfield, S43 4PZ.
- 2.3 The principal trading address of the Company was The Lime Store, Florence Road Industrial Estate, Kelly Bray, Callington, Cornwall PL17 8EQ. The business traded under its registered name.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was The Lime Store, Florence Road, Kellybray, Callington, Cornwall, PL17 8EQ. Following the appointment, this was changed to 22 Gander Lane, Balborough, Chesterfield, S43 4PZ on 9 March 2018. The registered number of the Company is 03349189.
- 2.5 *For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.*
- 2.6 The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

3 JOINT ADMINISTRATORS' PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were deemed approved by creditors on 25 April 2018. Please note that the date previously reported was incorrect.

ORCHID PLASTICS LIMITED – IN ADMINISTRATION

- 3.3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.
- 3.4 The objective of the Administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in administration).
- 3.5 We consider this objective has been achieved for the following reasons:
- The pre-packaged sale of the business has resulted in enhanced realisations of the equity available in the Company's financed assets;
 - A value has been extracted from the Company's goodwill;
 - The Purchaser has maintained current management which has preserved the continuity of the Company's customer relationships. This has resulted in an enhanced recovery of the Company's book debt ledger which has reduced the Company's indebtedness to Ultimate Invoice Finance Limited ("Ultimate") and improve the position for creditors generally; and
 - The transfer of employees has resulted in the avoidance of claims on redundancy.
- 3.6 We also consider that we have achieved a further statutory objective by realising property in order to make a distribution to one or more secured or preferential creditors. Goodwill realisations from the pre-packaged sale of the Company's business and assets will be available to distribute to Funding Circle Recoveries Limited (The Security Holder) as Security Agent for the Various Lenders ("Funding Circle") under the terms of its fixed charge security. In addition, book debts subject to an invoice finance facility in favour of Ultimate have also been distributed to Ultimate under the terms of its fixed charge security.

4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 21 August 2018 to 20 February 2019.

Sale of Business

- 4.2 As previously reported to creditors, the business and assets of the Company were sold on 21 February 2018 to Revolution Mouldings Limited ('the Purchaser'), a company with a common shareholder and director, Geoff Stockley, to the Company.
- 4.3 The agreed sale consideration was £35,000, of which £3,000 was payable on completion followed by 8 monthly instalments of £3,375 and a final instalment of £5,000. The sale consideration is secured by way of a personal guarantee provided by Geoff Stockley and the Joint Administrators have also obtained security from the Purchaser by way of a fixed and floating charge debenture over the assets.
- 4.4 Payments of £30,000 have been received and the final instalment of £5,000 remains outstanding. The Joint Administrators are in discussions with the Purchaser in order to obtain the outstanding amount.

Book debts

- 4.5 The Company operated a book debt ledger which was subject to an invoice discounting facility with Ultimate Invoice Finance Limited ("Ultimate"). As at the date of Administration, the gross value of the outstanding ledger was £173,561 with a corresponding balance of £133,163 due to Ultimate.
- 4.6 Ultimate has advised that debt collections to date total £132,883.90. Collections costs and charges totalling £26,797.22 including VAT have been incurred by Ultimate and deducted from collections made to date.

ORCHID PLASTICS LIMITED – IN ADMINISTRATION

- 4.7 To date, collections have been sufficient to enable a distribution to Ultimate totalling £105,320.75.
- 4.8 Ultimate have advised that the Company has one remaining debtor with a book value of £58,679. The debt is disputed but, according to Ultimate, discussions have resulted in agreement of a settlement of the debt. The prospect of any surplus to the estate from the remaining ledger is uncertain. We will provide an update on the outcome of recoveries from this debt in our next report to creditors.

Inter-Company Loan Account

- 4.9 The Company's management accounts to 30 September 2017 indicated that a balance of £633,131 is owed to the Company by a connected company, Global Plastic Solutions (Southern) Limited ("GPSS"). GPSS is the Company's shareholder.
- 4.10 Following a review of the Company's records we considered that a balance of £637,130.66 remains due from GPSS to the Company.
- 4.11 As previously reported, the Joint Administrators took initial steps to recover this debt by writing to GPSS. The Joint Administrators received a response from GPSS, who indicated that it was not in a position to repay the amount owed to the Company.
- 4.12 The Joint Administrators are corresponding with GPSS to seek repayment and are considering their next steps which may involve commencing winding up proceedings against GPSS.
- 4.13 The Joint Administrators are unable to estimate what may be realisable from the Inter-Company Loan Account at this time.

Directors' Loan Accounts

- 4.14 As previously reported, following an initial review of the Company's records, the Joint Administrators identified an outstanding Director's loan account totalling £69,539.
- 4.15 Subsequently, the Joint Administrators identified a further loan account of £14,371 due from another director.
- 4.16 The Joint Administrators took steps to recover these loans and wrote to the respective parties. The debts were subsequently disputed by the directors.
- 4.17 The Joint Administrators are undertaking additional work to establish what is realisable from the directors' loan accounts.
- 4.18 The Joint Administrators are corresponding with the respective parties and will consider commencing bankruptcy proceedings against them, if appropriate.

Cash at Bank

- 4.19 A further £0.32 credit balance was received from the Company's bank during the period of this report.

Rates Refund

- 4.20 A rates refund of £251.39 was received from Cornwall Council during the period of this report.

Bank Interest

- 4.21 Bank interest of £14.57 was received during the period of this report.

ORCHID PLASTICS LIMITED – IN ADMINISTRATION

5 ASSETS STILL TO BE REALISED

5.1 The assets still to be realised in this matter are as follows:

- The remaining deferred consideration due in respect of the sale of the Company's business and assets;
- The inter-company loan account; and
- The Directors' loan accounts.

6 INVESTIGATIONS

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

6.2 That assessment identified the inter-company loan account and Directors' loan account as potential assets of the Company. As detailed at Section 4 above, we have taken steps to try to realise these assets.

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

7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

Pre-Administration Costs

7.1 On 20 April 2018, the secured creditors consented to the following pre-Administration costs and expenses being paid as an expense of the Administration:

		Total amount charged	Amount paid	Amount unpaid
Charged by	Services provided	£	£	£
LC	Marketing of the Company and negotiation of the sale to the Purchaser	24,022.50	21,900.00	2,122.50
Hewitt Card	Valuation of the Goodwill	1,500.00	1,500.00	-
CAM	Valuation of assets and disbursements	4,122.30	4,122.30	-
Freeths LLP	Dealing with sale contract, debenture and licence to occupy	4,000.00	4,000.00	-
	TOTAL	33,644.80	31,522.30	2,122.50

7.2 The costs that have been paid are detailed in the receipts and payments account attached at Appendix B. The outstanding costs will be paid as and when funds permit.

Joint Administrators' Remuneration

7.3 On 20 April 2018, the secured creditors agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration for an amount not exceeding £38,738, as set out in a Fees Estimate.

7.4 The time charged by the Joint Administrators for the period of this report amounts to £10,140.50. This represents 36.0 hours at an average rate of £281.68 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed.

ORCHID PLASTICS LIMITED – IN ADMINISTRATION

- 7.5 Attached, at Appendix D, is a summary of time costs incurred to 20 February 2019 compared with time costs as set out in the Joint Administrators original fees estimate.
- 7.6 You will note that time costs incurred to 20 February 2019 exceed the time as set out in the Fees Estimate.
- 7.7 The areas where significant variances have occurred relate to the following categories:-

Category	Estimate (£)	Actual (£)	Variance(£)
Statutory & Review	4,188.50	10,750.00	(6,561.50)
Receipts & Payments	2,655.50	5,128.00	(2,472.50)
Liabilities	7,411.00	11,914.50	(4,473.50)

Statutory & Review

Time spent in the Statutory & Review category has exceeded the Fees Estimate by £6,561.50. This was due to additional reviews undertaken of the case file by senior members of the Administration staff in order to ensure that the case was progressed as planned. Consequently, the case administration actioned the review points raised. Further unanticipated time was incurred in reviewing time costs and billing.

Receipts & Payments

Time spent in the Receipts & Payments category has exceeded the Fees Estimate by £2,472.50. This was due to more time, than was anticipated, being spent in respect of the payment of rent due to the landlord under the licence to occupy and additional reconciliations of the bank account by the Joint Administrators.

Liabilities

Time spent in the Liabilities category has exceeded the Fees Estimate by £4,473.50. This was due to a significant amount of time being spent in relation to responding to creditor enquiries and reporting to creditors. Time has also been incurred in preparing and submitting documents to the secured creditors in order to obtain their consent to an extension of the Administration and recording their decision, which was not anticipated at the outset.

- 7.8 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. The Joint Administrators' Fees Estimate has already been exceeded. However should information come to light during the course of the Administration which means that the Joint Administrators will be required to undertake work not envisaged at the time that the Fees Estimate was provided, it may be necessary for the Joint Administrators to revert to the secured creditors for further approval. The information provided above is therefore for information purposes only.
- 7.9 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" which may be downloaded from:
<https://www.r3.org.uk/what-we-do/publications/professional/fees>
- 7.10 If you would prefer this to be sent to you in hard copy please contact Keith Turpin of this office on 01246 385 775.
- 7.11 No remuneration has been drawn in respect of the Joint Administrators' remuneration to date.

8 JOINT ADMINISTRATORS' EXPENSES

- 8.1 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs).

These are known as "Category 2 disbursements" and are subject to the approval of the creditors. On 20 April 2018, the secured creditors also approved that category 2 disbursements could be drawn by the Joint Administrators, as detailed at Appendix F.

- 8.2 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix E.
- 8.3 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses.
- 8.4 Attached at Appendix F is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.
- 8.5 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.
- 8.6 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.
- 8.7 The application must be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 8.8 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Administration.

9 ESTIMATED OUTCOME FOR CREDITORS

- 9.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix G.

Secured Creditors

Ultimate

- 9.2 The Company operated an invoice finance facility with Ultimate, and had been granted fixed and floating charge security from the Company by virtue of a debenture created on 30 December 2016. At the date of Administration, the gross value of the outstanding ledger was £173,561 with a corresponding balance of £133,163 due to Ultimate. It is anticipated that debtor collections may be sufficient to repay Ultimate's capital indebtedness in full under the terms of its fixed charge security in relation to book debts. To date, collections have been sufficient to enable a distribution to Ultimate totalling £105,320.75.

Funding Circle

- 9.3 Funding Circle provided a loan to the Company to assist with working capital. The loan was secured by way of a debenture incorporating fixed and floating charge security over the Company's assets. The debenture was created on 10 September 2012. Funding Circle are anticipated to receive a distribution of £10,000 from the realisation of goodwill.

Preferential Claims

- 9.4 The only categories of claims which have preferential status are those of employees in respect of wages, accrued holiday pay and certain pension contributions. I can confirm that all employees were transferred to the Purchaser under the relevant TUPE regulations, therefore there are no preferential claims anticipated in the Administration.

Prescribed Part

- 9.5 The Insolvency Act 1986 provides that, where a Company has created a floating charge after 15 September 2003, the Administrator must make a prescribed part of the Company's net property available to unsecured creditors and not distribute it the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims.
- 9.6 Based upon the information currently available, asset realisations will not be sufficient to enable a distribution to floating charge realisations and as such a prescribed part fund will not be available.

Unsecured Non-Preferential Claims

- 9.7 From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.
- 9.8 At present, it is anticipated that there will be insufficient funds available to enable any form of distribution to unsecured creditors.

10 MATTERS STILL TO BE DEALT WITH

- 10.1 Matters still to be dealt with before conclusion of the Administration include the following:
- Collecting the outstanding balance of the deferred consideration;
 - Progressing realisations in respect of the inter-company loan;

ORCHID PLASTICS LIMITED – IN ADMINISTRATION

- Progressing realisations in respect of the Directors' loan accounts;
- Undertaking further distributions to the secured creditors; and
- The unpaid remuneration and expenses will need to be defrayed.

11 EXTENSIONS TO THE ADMINISTRATION

- 11.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 11.2 In certain circumstances it may be necessary to extend the administrators' term of office. In the context of this case, this may be done for a specified period not exceeding twelve months with the consent of each secured creditor of the Company.
- 11.3 As you will be aware, the period of the Administration was extended until 20 February 2020 with the consent of each secured creditor of the Company.
- 11.4 The Joint Administrators will be discharged from liability immediately upon their appointment as Administrators ceasing to have effect.

12 NEXT REPORT

- 12.1 The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

13 DATA PROTECTION

- 13.1 Finally, when submitting details of your claim in the Administration, you may disclose personal data to the Joint Administrators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Administrators act as Data Controllers in respect of personal data they obtain in relation to this Administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix H, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully
For and on behalf of
ORCHID PLASTICS LIMITED



RICHARD PINDER
JOINT ADMINISTRATOR

Richard Pinder and Sean Williams are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 19470 and 11270, respectively

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation. It is further proposed that Richard Pinder and/or Sean Williams be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Richard Pinder and/or Sean Williams be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
21 AUGUST 2018 TO 20 FEBRUARY 2019 AND CUMULATIVE TO 20 FEBRUARY 2019**

	Estimated to realise £	Previously Reported £	This Period £	Cumulative £
RECEIPTS				
Asset Specifically Pledged				
Goodwill	10,000.00	5,812.50	4,187.50	10,000.00
Assets Not Specifically Pledged				
Seller's Records	50.00	50.00	-	50.00
Beneficial Interest in Financed Assets	11,000.00	4,687.50	3,033.50	7,721.00
Work in Progress	1,000.00	1,000.00	-	1,000.00
Plant & Machinery	8,500.00	4,500.00	2,279.00	6,779.00
Stock	4,000.00	3,375.00	625.00	4,000.00
Office Furniture & Equipment	450.00	450.00	-	450.00
Cash at Bank	-	5,232.23	0.32	5,232.55
Sundry Refund	-	293.37	-	293.37
Licence to Occupy	24,000.00	24,000.00	-	24,000.00
Rates Refund	-	-	251.39	251.39
Bank Interest	-	3.49	14.57	18.06
	<u>59,000.00</u>	<u>49,404.09</u>	<u>10,391.28</u>	<u>59,795.37</u>
PAYMENTS				
Pre-Appointment				
Leonard Curtis		(11,000.00)	(10,900.00)	(21,900.00)
Accountants' Fees - Hewitt Card		(1,500.00)	-	(1,500.00)
Solicitors' Fees - Freeths		(4,000.00)	-	(4,000.00)
Agents' Fees -CAM		(4,122.30)	-	(4,122.30)
Post-Appointment				
Solicitors' - Freeths		(160.30)	-	(160.30)
Rent - Landlord		(24,000.00)	-	(24,000.00)
Category 1 Disbursements		(270.22)	(27.98)	(298.20)
Bank Charges		(45.00)	-	(45.00)
Agent's Fees - CAPA		-	(62.85)	(63.85)
		<u>(45,097.82)</u>	<u>(10,990.83)</u>	<u>(56,088.65)</u>
DISTRIBUTIONS				
None				
BALANCE		<u>4,306.27</u>	<u>(599.55)</u>	<u>3,706.72</u>

**SUMMARY OF ULTIMATE RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
21 AUGUST 2018 TO 20 FEBRUARY 2019 AND CUMULATIVE TO 20 FEBRUARY 2019**

	Previously Reported £	This Period £	Cumulative £
RECEIPTS			
Book debts	113,340.79	19,543.14	132,883.93
PAYMENTS			
Collection costs and charges - Ultimate	(10,743.60)	(11,802.14)	(22,545.74)
DISTRIBUTIONS			
Secured Creditor – Ultimate	(100,448.47)	(4,872.28)	(105,320.75)
BALANCE DUE TO ADMINISTRATION	<u>2,148.72</u>	<u>2,868.72</u>	<u>5,017.44</u>
REPRESENTED BY:			
Cash at Bank	-	-	-
VAT Receivable	<u>2,148.72</u>	<u>2,868.72</u>	<u>5,017.44</u>
	<u>2,148.72</u>	<u>2,868.72</u>	<u>5,017.44</u>

NOTES:

1. Ultimate has incurred collection costs and charges during the period of the Administration totalling £22,545.74 plus VAT. The Joint Administrators are able to reclaim the VAT on these charges for the benefit of the Administration estate. Steps will be taken to reclaim the VAT shortly.

APPENDIX C

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 21 AUGUST 2018 TO 20 FEBRUARY 2019**

	Total	Average
	Units	Hourly Rate
		£
Statutory & Review	70	1,954.00
Receipts & Payments	53	1,836.00
Insurance	5	130.00
Assets	45	1,463.00
Liabilities	110	2,966.50
Landlords	2	73.00
Debenture Holder	3	109.50
General Administration	69	1,530.50
Investigations	3	78.00
Total	360	10,140.50
Average Hourly Rate (£)		281.68
All Units are 6 minutes		

DESCRIPTION OF TIME SPENT BY CATEGORY

Statutory and Review

Time recorded to this category during the reporting period has involved the following:

- Case management reviews. These were carried out throughout the period of the report;
- Internal handover review to the Joint Administrators' case progression team; and
- Review of time costs data to ensure accurate posting of time and billing.

Receipts and Payments

Time recorded to this category during the reporting period has involved the following:

- Review of the Company's bank statements by the Joint Administrator;
- Preparation of a receipts and payments account for inclusion in the first progress report;
- Regular update of the Estimated Outcome Statement;
- Timely completion of all post appointment tax and VAT returns; and
- Managing estate expenses.

Insurance, Bonding and Pensions

Time recorded to this category during the reporting period has involved the following:

- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice; and
- Review of pension matters.

Assets

Time recorded to this category during the reporting period has involved the following:

- Liaising with Cornwall Council to obtain a rates refund;
- Liaising with Company's bankers re pre-appointment bank accounts;
- Review by the Joint Administrator of the licence to occupy; and
- Review and subsequent chasing of outstanding deferred consideration

Liabilities

Time recorded to this category during the reporting period has involved the following:

Statutory

- Processing of claims from the Company's creditors;
- Preparation and submission of the first progress report to creditors;
- Preparation and submission of letters and forms to the secured creditors in respect of obtaining their consent to an extension of the Administration; and
- Dealing with enquiries from the Company's creditors.

Landlords

- Liaising with the landlord in respect of the premises.

ORCHID PLASTICS LIMITED – IN ADMINISTRATION

Debenture Holders

- Review of the documents to the secured creditors by a senior member of staff in respect of obtaining their consent to an extension of the Administration

General Administration

- Maintaining the Joint Administrators' records;
- Arranging collection and storage of Company's books and records;
- Preparing an inventory of the Company's books and records; and
- Dealing with general correspondence and communicating with directors and shareholders.

Investigations

- Reviewing the Company's books and records.

APPENDIX D

**SUMMARY OF JOINT ADMINISTRATORS' TOTAL TIME COSTS TO 20 FEBRUARY 2019
INCORPORATING A COMPARISON WITH THE JOINT ADMINISTRATORS' APPROVED FEE ESTIMATE**

	FEES ESTIMATE			INCURRED TO 20 FEBRUARY 2019			VARIANCE
	Total		Average	Total		Average	
	Units	Cost £	Hourly Rate £	Units	Cost £	Hourly Rate £	
Statutory & Review	151	4,188.50	277.38	391	10,750.00	274.94	(6,561.50)
Receipts & Payments	105	2,655.50	252.9	172	5,128.00	298.14	(2,472.50)
Insurance	21	746.5	355.48	30	822.00	274.00	(75.50)
Assets	164	5,677.00	346.16	156	5,284.50	338.75	392.50
Liabilities	246	7,441.00	302.48	424	11,914.50	281.00	(4,473.50)
Landlords	44	1,596.50	362.84	75	2,508.00	334.40	(911.50)
Debenture Holder	63	2,180.00	346.03	12	438.00	365.00	1,742.00
General Administration	125	3,174.50	253.96	145	3,817.00	263.24	(642.50)
Appointment	147	5,093.00	346.46	147	4,408.50	299.90	684.50
Planning & Strategy	7	296	422.86	2	73.00	365.00	223.00
Post Appointment Creds Mtngs	120	3,763.50	313.63	153	4,503.00	294.31	(739.50)
Investigations	52	1,926.00	370.38	65	1,753.00	269.69	173.00
Total	1,245	38,738.00	311.15	1,772	51,399.50	290.06	(12,661.50)

All Units are 6 minutes

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 21 AUGUST 2018 TO 20 FEBRUARY 2019
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	Business Tax Centre	Electronic client verification	15.00	20.00	-	20.00	-
Bond Fee	AJA Insolvency Risk Services	Insurance bond	50.00	40.00	15.00	25.00	15.00
Company Searches	Companies House	Extraction of company information from Companies House	10.00	-	-	-	-
Document Hosting	Pelstar	Hosting of documents for creditors	70.00	82.60	22.40	82.60	-
Software Licence Fee	Pelstar	Case management system licence fee	87.00	87.00	-	87.00	-
Statutory Advertising	Courts Advertising	Advertising	92.00	83.02	-	83.02	-
Storage Costs	CAM	Storage of books and records	50.00	3.12	3.12	0.58	2.54
		Total standard expenses	374.00	315.74	40.52	298.20	17.54

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Agents' Fees	CAM	Costs of valuing and realising assets	2,500.00	-	-	-	-
Legal Fees	Freeths	Costs of appointed solicitors	4,000.00	160.30	-	160.30	-
Staff Mileage	LC Staff	Category 2 disbursement requiring specific creditor / committee approval	200.00	-	-	-	-
Agents' Fees	Insol	Pension Advice	500.00	-	-	-	-
Accountancy Fees	Hewitt Card	Statement of Affairs	2,500.00	1,500.00	-	1,500.00	-
Agents' Fees	CAPA	Rates Refund	25% of realisations	62.85	62.85	62.85	-
Bank Charges	Allied Irish Bank	CHAPS Fee	-	45.00	-	45.00	-
		Total case specific expenses	9,700.00	1,768.15	62.85	1,768.15	-

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS**Staff Allocation and Charge Out Rates**

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard £	Complex £
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

ORCHID PLASTICS LIMITED – IN ADMINISTRATION

Type	Description	Amount																								
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per individual																								
Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders. Cost per upload.	<table> <tr> <th>Type</th><th>First 100</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr> </table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£85.95 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.

- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

APPENDIX G

ESTIMATED OUTCOME STATEMENT

	Secured (Ultimate) £'000	Secured (Funding Circle) £'000	Financed £'000	Preferential £'000	Unsecured £'000
Amount available to class of creditor	133	10	-	-	-
Amount due to creditor per Estimated Financial Position	(133)	(76)	-	-	(535)
Estimated dividend rate (as a %)	100%	13%	0%	0%	0%

PRIVACY NOTICE

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us




If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, Level 5, The Grove, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS

AM10.

Notice of administrator's progress report

 Presenter information	
You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.	
Contact name	Keith Turpin
Company name	Leonard Curtis
Address	22 Gander Lane
	Barlborough
	Chesterfield
Post town	
County/Region	
Postcode	S 4 3 4 P Z
Country	
DX	
Telephone	01246 385 775
 Checklist	
We may return forms completed incorrectly or with information missing.	
Please make sure you have remembered the following:	
<input type="checkbox"/> The company name and number match the information held on the public Register.	
<input type="checkbox"/> You have attached the required documents.	
<input type="checkbox"/> You have signed the form.	

 Important information	
All information on this form will appear on the public record.	
 Where to send	
You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:	
The Registrar of Companies, Companies House, Crown Way, Cardiff, Wales, CF14 3UZ. DX 33050 Cardiff.	
 Further information	
For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk	
This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse	