

The Insolvency Act 1986

**Notice of move from administration to
creditors' voluntary liquidation****2.34B**

Name of Company

KENRICK DOOR SYSTEMS LIMITED

Company number

03420999

In the High Court of Justice
Manchester District Registry
Chancery Division

Court case number

970 of 2009

(a) Insert name(s) and
address(es) of
administrator(s)I/We (a) J M Tittley & A Poxon of Leonard Curtis, DTE House, Hollins Mount,
Bury BL9 8AT(b) Insert name and address of
registered office of companyhaving been appointed administrator(s) of (b) KENRICK DOOR SYSTEMS LIMITED, DTE House
Hollins Mount,(c) Insert date of
appointmentBury BL9 8AT(d) Insert name of applicant /
appointoron (c) 20 March 2009 by (d) Lloyds TSB Commercial Finance Limited

hereby give notice that

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply,

(e) Insert name(s) and address(es)
of liquidator(s)and it is proposed that (e) A Poxon & J M Tittley of Leonard Curtis, DTE House, Hollins Mount, Bury BL9 8ATwill be the liquidator(s) of the company (IP No(s) 8617/ 8620)

I / We attach a copy of the final progress report

Signed

J M Tittley
Joint Administrator(s)

Dated

17 February 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

Leonard Curtis

DTE House, Hollins Mount, Bury

BL9 8AT

Tel 0161 767 1250

DX Number

DX Exchange



A4RFYHML

A12

18/02/2010

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COMPANIES HOUSE

If 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

THURSDAY



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**KENRICK DOOR SYSTEMS LIMITED
IN ADMINISTRATION**

Joint Administrators' Second and Final Progress report

In accordance with

Rule 2 47 and 2 110 of the Insolvency (Amendment) Rules 1986

For the period

20 March 2009 to 17 February 2010

17 February 2010

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**STRICTLY PRIVATE AND CONFIDENTIAL
NOT FOR PUBLICATION**

TO THE REGISTRAR OF COMPANIES
THE COURT
ALL CREDITORS
ALL MEMBERS

1 STATUTORY INFORMATION

1 1 John Titley and I were appointed Joint Administrators of Kenrick Door Systems Limited ("the Company") in the jurisdiction of the High Court of Justice, Manchester District Registry, Chancery Division, number 970 of 2009 on 20 March 2009. The administration appointment was made by Lloyds TSB Commercial Finance Limited ("LTSBCF") as holder of a qualifying floating charge,

1 2 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, 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 Administrator may be exercised by both or either of the persons holding that office

1 3 The Administration is being handled by Leonard Curtis' Bury office, which is situated at DTE House, Hollins Mount, Bury, Lancashire BL9 8AT

1 4 The Company's registered office address at the date of the appointment of administrators was Booth Street, Smethwick, West Midlands, B66 2PF

1 5 The Company traded from Booth Street, Smethwick, West Midlands, B66 2PF. The business trades under its registered name

1 6 In accordance with the requirements of Rule 2.47 and 2.110 of The Insolvency (Amendment) Rules 1986 we are now submitting our second and final progress report to creditors

2 PROGRESS OF THE ADMINISTRATION

2 1 Attached at Appendix A is the Joint Administrators' receipts and payments account for the period from 20 March 2009 to 17 February 2010. This indicates that £121,918.56 will be available to the liquidator to allow a return to unsecured creditors

2 2 Motor Vehicles

A sale of the vehicles owned by the Company was completed on 26 March 2009. The purchaser is Midland Door Services Limited. The consideration was £25,000 payable on completion.

The offer was accepted on the advice of our agents, Charles Taylor, as the consideration was higher than would have been expected on the open market. The consideration has been received in full.

2 3 Intellectual Property

Our agents also identified that there was a potential value to the Company's telephone number, domain name and trading style.

Our agents subsequently sought offers for the intellectual property and interested parties were invited to submit their best and final offers by 25 March 2009

A sale of the intellectual property was completed in the sum of £12,500 on 26 March 2009. The purchaser is Midland Door Services Limited.

2.4 Debtors

At the date of our appointment, the Company had a debtors ledger in the sum of £845,757 of which £550,000.00 was estimated to be collectible. To date, £545,560.29 has been collected.

LTSBCF held security over the ledger by way of a fixed charge. At our appointment a sum of £184,360 was owed to LTSBCF. A termination charge and further interest has since been applied.

I am pleased to confirm that realisations have been sufficient to repay LTSBCF in full and a surplus of £290,168 has been received by the Administrators.

Further collections are currently being held by our collection agents and in the Company's old bank account. These amounts will be forwarded in due course.

Collections are continuing with the assistance of our debt collection agents and the former directors. The level of future recoveries is uncertain.

3 ASSETS STILL TO BE REALISED

- 3.1 The only assets which remain outstanding are the debtors detailed at 2.4 above.

4 JOINT ADMINISTRATORS' REMUNERATION

- 4.1 The creditors have approved that the basis of the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Administration.
- 4.2 The Joint Administrators' time costs at 31 December 2009 are £92,958.00. This represents 327 hours at an average rate of £284.28 per hour. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during this period. Additional time has been spent in the period from 1 January 2010 to the date of this report in finalising the matter, which will be discharged in due course.
- 4.3 To date remuneration of £91,629.00 has been drawn by the Joint Administrators. An amount of time has been spent in January and February estimated at £4,000.00, finalising the administration, which has not yet been posted to the system.
- 4.4 Time costs of £5,517.00 were incurred in the period prior to our appointment which the creditors are not required to approve. £3,371.00 has been paid as it represents time spent in assessing the options available to the Company and ensuring that the Administrators' proposals could be achieved.
- 4.5 Attached as Appendix C is 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.

5 ESTIMATED OUTCOME FOR CREDITORS

Secured Creditor

5.1 LTSBCF

LTSBCF provided funding to the Company by way of a factoring agreement. LTSBCF held security by way of a fixed and floating debenture over the Company's assets created on 7 August 2007.

At the date of our appointment, the Company had outstanding book debts subject to fixed charge totalling approximately £845,757 of which £310,477 was approved for funding. The Company's indebtedness to LTSBCF on our appointment in respect of the agreement was £184,360. A termination charge and interest has since been applied.

I can advise that debtor realisations since appointment have been sufficient to repay LTSBCF in full.

5.2 Preferential Claims

With effect from 15 September 2003 preferential status has been abolished for debts owing to HM Revenue and Customs. Such debts rank alongside other unsecured creditors' claims. The only claims which remain preferential are those of employees in respect of wages (up to £800 per employee), holiday pay and any outstanding contributions in respect of a pension scheme.

All employees were made redundant prior to our appointment and had claims for outstanding wages and holiday pay. Preferential claims in the sum of £24,049.64 were received. I am pleased to report that realisations have been sufficient to repay preferential creditors in full.

5.3 Prescribed Part

As LTSBCF have been repaid in full, there is no requirement to calculate a prescribed part.

5.4 Unsecured Creditors

The claims of the unsecured creditors have been collated and acknowledged. There are funds available to allow a return to the unsecured creditors once the Company is in liquidation thereby achieving the second purpose of the administration in this case, namely 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).

6 ENDING THE ADMINISTRATION

6.1 We are now in a position to finalise the administration.

6.2 The proposals were approved by the creditors and the resolutions approved by the creditors are attached at Appendix E. There have been no amendments or variations to the proposals and resolutions approved.

6.3 As there are funds available to make a distribution to the unsecured creditors, it is now appropriate to convert the Company to Liquidation.

6.4 Attached at Appendix D is a copy of Form 2.34B, Notice of Move from Administration to Creditors' Voluntary Liquidation. The Joint Administrators' appointment will cease upon registration of Form 2.34B by Companies House and the appointment of Liquidator will take effect.

6.5 The Joint Administrators will be discharged from liability immediately upon their appointment as Administrators ceasing to have effect.

If any creditor has any queries in respect of this report, they should contact this office

Yours faithfully
for and on behalf of
KENRICK DOOR SYSTEMS LIMITED
(IN ADMINISTRATION)

A handwritten signature in black ink, appearing to read 'A Poxon', written over a horizontal line.

A Poxon
JOINT ADMINISTRATOR
17 FEBRUARY 2010

APPENDIX A

Summary of Joint Administrators' Receipts and Payments Account
for the Period from 20 March 2009 to 17 February 2010

	Estimated to realise	Paid to LTSBCF	Received / Paid by Administrators	Future	Total
	£		£		
Receipts					
Motor Vehicles	25,000 00	-	25,000 00	-	25,000 00
Debtors	550,000 00	254,557 26	291,003 03	-	545,560 29
Intellectual Property	12,500 00	-	12,500 00	-	12,500 00
Sundry Refunds	-	-	578 77	-	578 77
Bank Interest & Charges	-	-	155 40	-	155 40
	<u>587,500 00</u>	<u>254,557 26</u>	<u>329,237 20</u>	<u>-</u>	<u>583,794 46</u>
Less Payments					
Pre Appointment Costs		-	(3,371 00)	-	(3,371 00)
Administrators' Remuneration		-	(91,629 00)	(5,329 00)	(96,958 00)
Agents Fees and Expenses		-	(12,500 00)	-	(12,500 00)
Statement Of Affairs Fee		-	(5,000 00)	-	(5,000 00)
Solicitors' Fees and Expenses		-	(2,822 00)	-	(2,822 00)
Debt Collection Expenses		-	(46,362 54)	-	(46,362 54)
Statutory Advertising		-	(213 30)	-	(213 30)
Other Professional Fees		-	(1,650 00)	-	(1,650 00)
Sundry Expenses		-	(75 00)	-	(75 00)
Insurance		-	(450 92)	-	(450 92)
Bank Interest & Charges		-	(140 00)	-	(140 00)
Wages & Salaries		-	(11,811 69)	-	(11,811 69)
Petitioners Costs		-	(977 00)	-	(977 00)
Administrators' Disbursements		-	(646 55)	(291 00)	(937 55)
		<u>-</u>	<u>(177,649 00)</u>	<u>(5,620 00)</u>	<u>(183,269 00)</u>
Distributions					
LTSBCF		(254,557 26)	-	-	(254,557 26)
Preferential Creditors		-	(24,049 64)	-	(24,049 64)
Balance		<u>Nil</u>	<u>127,538 56</u>	<u>(5,620 00)</u>	<u>121,918 56</u>

APPENDIX B

SUMMARY OF ADMINISTRATORS TIME COSTS AS AT 31 DECEMBER 2009

	Director		Senior Manager		Manager 1		Administrator 1		Administrator 2		Administrator 3		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	-	-	46	1,610 00	3	85 50	-	-	-	-	40	600 00	133	1,396 50	222	3,692 00	166 31
Receipts & Payments			5	175 00	-	-	-	-	-	-	-	-	21	220 50	26	395 50	152 12
Insurance	-	-	2	70 00	-	-	-	-	20	340 00	5	75 00	-	-	27	485 00	179 63
Assets	249	9,835 50	456	15,960 00	-	-	45	877 50	485	8,245 00	-	-	-	-	1,235	34,918 00	282 74
Liabilities	52	2,054 00	74	2,590 00	3	85 50	35	682 50	235	3,995 00	13	195 00	31	325 50	443	9,927 50	224 10
Landlords	10	395 00	2	70 00	-	-	-	-	15	255 00	-	-	-	-	27	720 00	266 67
Debtenture Holder	20	790 00	61	2,135 00	-	-	-	-	10	170 00	-	-	-	-	91	3,095 00	340 11
General Administration	108	4,266 00	18	630 00	-	-	-	-	10	170 00	-	-	82	861 00	218	5,927 00	271 88
Appointment	24	948 00	10	350 00	-	-	-	-	45	765 00	-	-	3	31 50	82	2,094 50	255 43
Post Appointment Credits Mings	30	1,185 00	125	4,375 00	-	-	-	-	130	2,210 00	-	-	-	-	285	7,770 00	272 63
Investigations	543	21,448 50	71	2,485 00	-	-	-	-	-	-	-	-	-	-	614	23,933 50	389 80

Total	1,036	40,922 00	870	30,450 00	6	171 00	80	1,560 00	950	16,150 00	58	870 00	270	2,835 00	3,270	92,958 00	
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Average Hourly Rate (£)	395 00	350 00	285 00	195 00	170 00	150 00	105 00	284 28
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All units are 6 Minutes

APPENDIX C

**ADDITIONAL INFORMATION IN RELATION TO ADMINISTRATORS' FEES AND DISBURSEMENTS
PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9**

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

Staff Allocation Support Staff and the Use of Subcontractors

We take an objective and practical approach to each assignment which includes active partner involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case.

Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is charged. With effect from 1 January 2009 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis.

Partner	£395	Administrator 2	£170
Senior Manager	£350	Administrator 3	£150
Manager 1	£285	Administrator 4	£105
Manager 2	£245	Support	£0
Administrator 1	£195		

We have not utilised the services of any sub-contractors in this case.

Professional Advisors

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.

On this case we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

<u>Name of professional advisor</u>	<u>Basis of fee arrangement</u>
Charles Taylor (valuation and disposal advice)	Hourly rate and disbursements
Farleys (legal advice)	Hourly rate and disbursements
Harrison Beale & Owen (accounting advice)	Hourly rate and disbursements
EK Employment Consultants (employee advice)	Hourly rate and disbursements
Cerberus Receivables (debt collection advice)	Hourly rate and disbursements

Disbursements

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses, including car mileage at 40p a mile, incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage. Category 1 disbursements incurred on this case are detailed in Appendix A.

Where we propose to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, documents storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the administrator's remuneration. Such expenditure is referred to as a "category 2 disbursement". The following items of expenditure are ordinarily 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)	£62.90 per box

No category 2 disbursements have been drawn on this case to date.

APPENDIX D

Form 2 34B - Notice of Move from Administration to Creditors Voluntary Liquidation

APPENDIX E

JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS

It is proposed that

- 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 will 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 Andrew Poxon and/or John Titley be appointed (Joint) Liquidator(s) of the Company. 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
- 3 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 will file a Notice with the Registrar of Companies that the Company should be dissolved
- 4 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
- 5 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 Andrew Poxon and/or John Titley be appointed (Joint) Liquidator(s) of the Company

Resolutions Approved by the Creditors

The following resolutions were considered by the creditors voting by proxy

- 1 That the joint Administrators proposals be approved
- 2 Under Rule 2.106 of the Insolvency (Amendment) Rules 2003 and in the absence of a Creditors' Committee, the remuneration of the Joint Administrators be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration, and the Joint Administrators be authorised to draw remuneration as and when funds are available on account of their time costs
- 3 For the discharge of Category 2 disbursements as detailed on the attached guide to fees
- 4 The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect