

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Kilobuild Roofing & Cladding Ltd	Company number 03700506
In the High Court of Justice Chancery Division Birmingham District Registry (full name of court)	Court case number 8359 of 2009

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

I/We (a)
Gerald Clifford Smith
Vantis Group Limited
104/106 Colmore Row
Birmingham
B3 3AG

Beverley Jayne Marsh
Vantis Group Limited
104/106 Colmore Row
Birmingham
B3 3AG

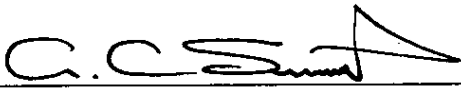
*Delete as
applicable

attach a copy of ~~my~~/our proposals in respect of the administration of the above company.

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

(b) 27 July 2009

Signed


Joint / Administrator(s)

Dated

28th July 2009

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form.

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

Gerald Clifford Smith
Vantis Business Recovery Services
104/106 Colmore Row
Birmingham
B3 3AG

DX Number

DX Exchange



AMARBYG

A37

29/07/2009

363

COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at:-
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

WEDNESDAY



**Vantis Business
Recovery Services**
104/106 Colmore Row
Birmingham B3 3AG
Tel: +44(0)121 710 1680
Fax: +44(0)121 710 1699
www.vantisplc.com

**TO ALL MEMBERS AND ALL KNOWN
CREDITORS**

your ref:

our ref: GCS/RS/MR/AO051/J

date: 28 July 2009

please ask for: Marisa Ricketts

Dear Sirs

KILOBUILD ROOFING & CLADDING LTD (IN ADMINISTRATION) ("THE COMPANY")

1. Introduction

I write further to my appointment as Joint Administrator of the Company, with Beverley Jayne Marsh, to inform creditors of the Joint Administrators' proposals under Paragraph 49 of Schedule B1 to the Insolvency Act 1986 (as amended). Statutory information about the Company and the Administrators together with details from the Company's accounts is attached at Appendix A.

2. The Administration

Gerald Clifford Smith and Beverley Jayne Marsh of Vantis Group Limited were appointed Joint Administrators of the Company on 5 June 2009 by the qualifying floating chargeholder, Challenge Finance Limited (In Administration) ("Challenge").

Gerald Clifford Smith and Beverley Jayne Marsh are both licensed by the Institute of Chartered Accountants for England and Wales.

The Company's main centre of operations is based in the England and Wales. The EC Regulations on Insolvency Proceedings will apply to the Administration. The proceedings are main proceedings as defined by Article 3 of the EC Regulations.

The Joint Administrators act jointly and severally, so that all functions may be exercised by either Administrator.

The Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:

- rescuing the Company as a going concern;
- 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); or
- realising property in order to make a distribution to one or more secured or preferential creditors.

Further information on the pursuance of the above objectives is detailed in section 4 below.

3. Circumstances giving rise to the appointment of the Administrators

The Company was incorporated on 25 January 1999, its principle trading activity was erecting roof coverings and frames and operated from leasehold premises at Binley Business Park, Coventry.

After successful periods of trading, the Company's order book for 2009 dramatically dropped due to construction companies cutting back on their expenditure on all projects. As a result, the Company began to encounter severe cash flow difficulties and with no other sources of funding forthcoming, creditor pressure increased.

In May 2009, the invoice discounting facility provider Challenge Finance Limited - In Administration ("Challenge") advised that they were reducing the facility available to the Company, from £650k to £250k over a period of three months.

On the basis of the trading results, combined with increasing creditor pressure, the Directors' sought professional advice from Cranfield Business Recovery ("Cranfield") with regard to the Company's financial position. Cranfield were instructed to summon meetings of members and creditors for the purpose of placing the company into creditors voluntary liquidation ("CVL") to be convened for 8 June 2009.

The qualifying floating charge holder, Challenge, disagreed that a CVL was the most appropriate formal insolvency option available to the Company. An Administration in this case would lead to a better outcome to the creditors than a CVL due to the contractual nature of the debtor book and as a result Gerald Clifford Smith and Beverley Jayne Marsh, licensed insolvency practitioners, were appointed Joint Administrators of the Company on 5 June 2009 pursuant to powers contained within the Challenge debenture dated 31 March 2006.

4. The conduct of the administration

It was clear from the outset that the possibility of achieving the first objective of rescuing the Company as a going concern was not possible due to the following:-

- The Company had ceased trading on 12 May 2009;
- All staff were laid off on 12 May 2009; and
- The level of debt secured by the Company's assets.

Accordingly we moved to consider the second objective, that 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). Given that the Company had ceased to trade prior to our appointment, the strategy undertaken was to achieve the third objective, that of realising property in order to make a distribution to one or more secured or preferential creditors.

Our strategy was focused on preserving the book debts and the unencumbered assets of the Company.

Hilton Baird Collection Services Ltd ("HBCS") were instructed by Challenge to insist in the collection of book debts. We instructed Edward Symmons LLP ("ES") as our agents to conduct a valuation of the office furniture, equipment and motor vehicles at the Company.

Sale of Assets

An offer to acquire the Company's office furniture and equipment was received from a third party purchaser, NRS Limited. On the recommendation of our agents, ES, a total consideration of £1,500 plus VAT was accepted.

Vehicle Sale

Only one vehicle under the Company's various finance agreements had any equity. Our agents, ES, realised equity of £500 from the trade sale of the vehicle after settling the agreement under BMW Financial Limited.

Cash at Bank

The Company's bank account with Lloyds TSB Bank plc was in credit at the date of our appointment for £39,451.85 and this has been transferred to the Administrators' account.

Other Realisations

We have also received £4,512.85 in respect of a PAYE refund and £860.99 from a medical insurance policy.

Book Debts

As mentioned above, Challenge provided an invoice discounting facility to the Company in relation to the book debts.

We have been pursuing the recovery of the book debts due to the Company with the assistance of HBCS. We anticipate that this exercise will continue for a considerable time, it is likely that recourse to adjudication and litigation may be required to secure monies due to the Company.

We have been advised by HBCS that £430k amount is collectable under a best case scenario and £288k under a worst case scenario.

5. Administrators' Receipts and Payments

A summary of receipts and payments for the Administration period from the date of my appointment to 28 July 2009 is attached at Appendix B. I trust this is self explanatory from the information above.

6. The directors' statement of affairs

Shortly after the appointment, the directors of the Company were asked to submit a statement of affairs under paragraph 47 of Schedule B1 of the Insolvency Act 1986 (as amended). To date, a statement of affairs has yet to be received, but an estimated outcome statement has been prepared from information available to the Administrators (see section 4 above) and together with a list of creditors' names and addresses is enclosed at Appendix C.

7. Outcome for secured creditor

At the date of appointment the Company had granted the following securities:

Charge Holder	Security Held	Date Created
Lloyds TSB Bank plc	Debenture	11/07/2006
Challenge Finance Limited In Administration	Debenture	31/03/2006

At the date of our appointment the Lloyds TSB Bank account was in credit following an advance of monies received by Challenge under its invoice discounting facility.

It is estimated that Challenge will have a secured claim in the Administration amounting to £434k in respect of funds advanced under the invoice discounting facility together with termination charges.

It is currently uncertain whether Challenge will be paid in full and this will depend on the level of book debt realisations.

8. Outcome for preferential creditors

To date we have not received a claim from the Redundancy Payments Office, therefore we have estimated preferential creditors of £28k from the records we have, being employees' claims for arrears of pay and holiday pay.

Based on estimates to date it is likely that a dividend will be paid to preferential creditors.

9. Outcome for unsecured creditors

The unsecured creditors estimated claims based upon the Company's books and records are £616k.

The Administrators have further considered the possibility of a prescribed part payment for unsecured creditors under S176A of the Insolvency Act 1986 (as amended).

However based on current information, it is envisaged that there is no prospect of a return to the unsecured creditors.

10. Creditors' meeting

Based on information currently available, the Joint Administrators believe that the Company will have insufficient property to enable a distribution to be made to unsecured creditors. We are therefore not required to call a creditors' meeting pursuant to Paragraph 51 of Schedule B1 of the Insolvency Act 1986 (as amended). The Administrators must however summon a meeting if requested to do so by creditors whose debts amount to at least 10% of the total debts of the company. The request must be in the prescribed form and be made within 12 days of the date of this notice, in accordance with Rule 2.37 of the Insolvency Rules 1986 (as amended).

In accordance with Rule 2.33(5) of the Insolvency Rules 1986 (as amended), where the Administrators have not called a creditors' meeting, the proposals set out below will be deemed to

have been approved by the creditors unless at least 10% by value of the creditors requisition a meeting of creditors within 12 days of the date of this report.

11. Administrators' proposals

The Administrators' proposals in accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 (as amended) to achieve the purpose of the administration are attached at Appendix D.

12. Administrators' Remuneration

The statutory provisions relating to remuneration are set out in Rule 2.106 of the Insolvency Rules 1986 (as amended). The Administrators' propose that their remuneration will be fixed on a time cost basis, in accordance with the Statement of Insolvency Practice No 9 ("SIP 9") issued by the Association of Business Recovery Professionals.

A copy of the 'Creditors' Guide to Administrators' Fees' can easily be accessed on the Vantis website on www.vantisplc.com. Click on 'Creditors' Guides to Fees' under services, business recovery at top right of the home page and follow the instructions. If you have problems accessing the creditors' guide to fees on the Vantis website or if you would like to have a hard copy of the creditors' guide to fees sent to you, please do not hesitate to contact the person named at the top of this letter attached to these proposals

The Joint Administrators' time costs at 27 July 2009 are £14,609.50. This represents 79.35 hours at an average rate of £184.11 per hour. We have attached at Appendix E a time analysis which provides details of the activity costs incurred by staff grade to the above date.

As the Joint Administrators consider that the Company has insufficient property to enable a distribution to be made to the unsecured creditors, a statement under Paragraph 52(1) (c) of Schedule B1 to the Insolvency Act 1986 (as amended) has been made. In the circumstances, it will fall to the appropriate secured creditor to agree the remuneration of the Joint Administrators.

Additional information in relation to our policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade is attached as Appendix F.

Our time costs incurred to date relate to the following activities:

- Attendance on site upon appointment and subsequent visits with valuation agents;
- Negotiating and concluding a sale of the assets;
- Dealing with Retention of Title claims;
- Instructing and liaising with agents;
- Responding to creditor enquiries;
- Processing employee claims and liaising with the Redundancy Payments Office;
- Undertaking the various statutory requirements for the Administration process;
- Liaising with HBCS regarding the book debt position;
- Reporting and liaising with secured creditor;
- Correspondence with the Directors for the completion of a Statement of Affairs.

13. Directors' Conduct

Finally, as part of the Joint Administrators' statutory duties, we have to report on the conduct of the directors under the Company Directors Disqualification Act 1986. Should you have any information concerning matters to which reference should be made in that report, then, we should be grateful if

you would write to us formally setting out any facts which you believe should be considered for inclusion.

14. Next Report

The Joint Administrators are required to provide a progress report within one month of the end of the first six months of the Administration by which time we hope the outcome from the book debt collections will become clear.

Yours faithfully
For and on behalf of
Kilobuild Roofing & Cladding Limited

A handwritten signature in black ink, appearing to read 'G. C. Smith', with a stylized flourish at the end.

Gerald Clifford Smith
Joint Administrator
Licensed by the Institute of Chartered Accountants in England & Wales

The Joint Administrators act as agents of the Company and without personal liability.

The affairs, business and property of the Company are being managed by Gerald Clifford Smith and Beverley Jayne Marsh who were appointed Joint Administrators on 5 June 2009.

Statutory Information

Appendix A

Court name	High Court of justice, Chancery Division, Birmingham District Registry
Court case number	8359 of 2009
Other trading names	None
Date of Incorporation	25 January 1999
Company number	03700506
Registered office	104/106 Colmore Row, Birmingham, B3 3AG
Previous registered office and trading Address	Concept House, Orchard Court 9, Binley Business Park, Coventry CV3 2TQ

Details of the Directors and Secretary in office during the previous three years together with details of their shareholdings are as follows:

	Date appointed	Date resigned	Shares held
Director			
Norman Evans	31 October 2008	-	-
Kate Tuckley	31 October 2008	-	-
Frank Kitchen	18 August 1999	-	100
Secretary			
Frank Kitchen	31 October 2008	-	-

A summary of the Company's trading performance is detailed below:-

Description (£'000)	9 Months to 31 March 2009 (Management Accounts)	6 Months to 31 December 2008 (Management Accounts)	12 Months to 30 June 2008 (Unaudited Accounts)
Turnover	4,939	3,876	3,782
Gross Profit	738	822	1,254
Overheads	(939)	(630)	(1,154)
Operating (Loss)/Profit	(201)	192	100
Profit/(Loss) before tax	(246)	159	51
Net (Liabilities)/Assets	(243)	240	123

Receipts and Payments Account for the Period up to 28 July 2009**Appendix B****INCOME****Total (£)**

Insurance Refund
Cash at Bank
PAYE Refund

860.99
39,451.40
4,512.85

44,825.24

EXPENDITURE

0.00

Balance

44,825.24

MADE UP AS FOLLOWS

Floating Current A/c

44,825.24

44,825.24

Estimated Outcome Statement

Appendix C

	£ Best Case	£ Worst Case
Assets Specifically Pledged		
Book Debts	430,000	288,585
Less Costs	(43,000)	(28,859)
Less funds due Challenge Finance Ltd	(377,455)	(377,455)
Less Termination Charges	(56,332)	(56,332)
<i>Surplus/(Deficit) to Challenge</i>	<u>(46,787)</u>	<u>(117,729)</u>
 BMW 325i M sport Coupe	18,000	18,000
<i>Less due to BMW Financial Services</i>	<u>(17,500)</u>	<u>(17,500)</u>
	<u>500</u>	<u>500</u>
 Assets Not Specifically Pledged		
Cash at bank	39,451	39,451
Fixtures & Fittings	1,500	1,500
Surplus vehicle equity above	500	500
PAYE Refund	4,513	4,513
Insurance refund	861	861
	<u>46,825</u>	<u>46,825</u>
 Less: Costs in Administration		
Administrators' fees	(15,000)	(15,000)
Administrators' disbursements	(500)	(500)
Solicitors fees	(2,000)	(2,000)
Agents fees	(1,500)	(1,500)
	<u>27,825</u>	<u>27,825</u>
 Preferential Creditors		
Holiday pay/arrears	(28,000)	(28,000)
 Net Value of Assets Subject to a Floating Charge	<u>-</u>	<u>-</u>
 <i>Less: Prescribed part</i>	<u>-</u>	<u>-</u>
 Available to floating charge holder	<u>-</u>	<u>-</u>

Kilobuild Roofing & Cladding Ltd

B - Company Creditors

Key	Name	Address	£
CA01	Access Rentals Limited	Stafford Park 6, Telford, TF3 3BQ	30,138.05
CA02	Andian Specialist Fabrications Ltd	Unit 7A Navigation Drive, Hurst Business Park, Brierly Hill, West Midlands, DY5 1UT	14,200.15
CA00	Ashford Special Projects	**ADDRESSEE GONE AWAY**	0.00
CA03	Ashtead Plant Hire Co Ltd	P.O. Box 119, Warrington, WA3 6YT	555.91
CB02	Bank of Scotland	Asset Solutions, 6th Floor Charter Hall House, Charter Hall Drive, Chester, CH88 3AN	0.00
CB00	Barwick Construction Ltd	Coombe Valley Road, Dover, Kent, CT17 0UJ	0.00
CB01	BMW Financial Services	Europa House, Bartley Way, Hook, Hampshire, RG27 9UF	0.00
CC01	Charles Church South Midlands	Charles Church House, Kephson Court, Tancred Close, Leamington Soa, CV31 3RZ	0.00
CC07	CITB Construction Skills	Bircham Newton, Kings Lynn, Norfolk, PE31 6RH	0.00
CC08	Citroen Contract Motoring	Head Office, Quadrant House, Princess Way, Redhill, Surrey, RH1 1QA	0.00
CC02	City Vizion	41 Clarendon Road, Watford, Hertfordshire, WD17 1TR	0.00
CC04	Construction Industry Training	Levy, Grant & Debt Recovery, Bircham Newton, Kings Lynn, Norfolk, PE31 6RH	12,508.00
CC05	Corrivo	Churchill Plaza, Churchill Way, Basingstoke, Hampshire, RG21 7GP	924.73
CC03	Coventry & Warwickshire Chamber of Commerce	Oak Tree Court, Binley Business Park, Harry Weston Road, Coventry, CV3 2UN	1,136.20
CC06	Coventry City Council	PO Box 15, The Council House, Coventry, CV1 5RQ, Ref:100019360 & 100012723	16,014.79
CC00	Cowlin Construction	Fairfield School, Bristol	0.00
CD00	D Lynch Construction	**ADDRESSEE GONE AWAY**	0.00
CD01	Dewsbury & Proud	St James House, Knoll Road, Camberley, Surrey, GU15 3XW	2,760.00
CE00	Edmund Nuttall	Covert Farm, Northampton, NN6 8DU	0.00
CE04	Edone Investments Ltd	Brunswick House, 1 Deighon Close, Wetherby, West Yorkshire, LS22 7GZ	0.00
CE01	Encon Insulation Ltd	154 Great Charles Street, Birmingham, B3 3HN	200.10
CE02	Ernest R Shaw	c/o Oval Insurance Broking Ltd, 90 Barwick Street, Birmingham, B3 2YY	7,076.80
CE05	Eurosafe Solutions Limited	Head Office, Hartlands, 23 Nutley Drive, Goring by Sea, West Sussex, BN12 4JP	0.00
CE03	Evergreen Roof Gardens Limited	C/O Head Office, Shadwell House, Shadwell Street, Birmingham, B4 6LJ	0.00
CF01	FGF Limited	Hertford Road, Hoddesdon, Hertfordshire, EN11 9BX	21,506.56
CF00	Fitzpatrick Contractors Ltd	Berwick Road, Industail Estate, Wooler, Northumberland, NE71 6AH	0.00
CG00	Glendale Engineering	J.A.S. House, Titford Land, Rowley Reegis, Warley, West Midlands, B65 0PY	2,064.13
CH06	H & H Alloy Sales Ltd	HM Inspector of Taxes, Sherbourne House, 1 Manor House Drive, Coventry, CV1 2TA	12,380.25
CH00	H M Customs & Excise - Taxes	Barclays Bank Chambers, Stratford Upon Avon, CV37 6AH	0.00
CH05	H. L. Barnes & Sons	Telford Way, Telford Way Industrial Estate, Kettering, Northants, NN16 8UN	11,916.56
CH0A	H.B. Humphreys Ltd	Holly Grange, Holly Lane, Balsall Common, Coventry, CV7 7EB	13,268.32
CH03	HBG - Makro Birmingham	Fields Farm Road, Long Eaton, Nottingham, NG10 3FZ	0.00
CH07	Hire Station Ltd	Debt Management Enforcement & Insol, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	1,829.70
CH01	HM Revenue & Customs (info)		0.00

Kilobuild Roofing & Cladding Ltd

B - Company Creditors

Key	Name	Address	£
CH02	HM Revenue & Customs (VAT)	Insolvency Operations, Queens Dock, Liverpool, L74 4AA	0.00
CH04	HMP Albany	Cowley Business Park, Cowley, Uxbridge, Middlesex, UB8 2AL	0.00
CH08	Hobs Reprographics Ltd	6 Greenfield Crescent, Edgbaston, Birmingham, B15 3BE	695.84
CH09	Honda finance Europe	470 London Road, Slough, Berkshire, SL3 8QY	112.54
CH0B	Hydropure Distribution Ltd	Hydropure House, Unit 5H, Lynwell Road, Lyntown Trading Estate, Eccles, Manchester, M30 9QG	105.06
CI00	Impirius Ltd	The Corft, Bascote Heath, Leamington Spa, CV47 2DW	2,075.00
CI01	IsoLec	Suite 3, The Old Farmhouse, Craycombe, Fladbury Pershore, WR10 2QS	421.97
CJ00	J P Cladding & Roofing Ltd	Unit 11 Morgans Business Park, Bettys Lane, Norton canes, Cannock, WS11 9UU	10,941.20
CJ02	J.P.M. (Pressbrake) Sections Ltd	Level Street, Brierley Hill, West Midlands, DY5 1UE	17,395.02
CJ01	Joines & Woolman (UK) Ltd		6,210.00
CK02	Kalzip Ltd	Haydock Lane, Haydock, St Helens, Merseyside, WA11 9TY	169,299.71
CK00	Kier Eastern	53 South Bank, Wisbech, Cambridgeshire, PE14 0RQ	0.00
CK03	Kingsan Ltd	Greenfield Business Park No 2, Greenfield, Holywell, Flintshire, North Wales, CH8 7GJ	93,008.05
CL00	Laing O'Rourke Construction North	Building T3, Trinity Park, Station Way, Birmingham, B37 7ES	0.00
CL01	Lloyds TSB Corporate Card		3,966.22
CM05	M R Site Services LTD	Unit 6, Worchester Trading Estate, Blackpole, Worcester, WR3 8HR	0.00
CM00	Mansell Construction Services Ltd	Wollaston Road, Stourbridge, West Midlands, DY8 4HP	0.00
CM03	Mark Hill Associates	Office 96B, Blackpole West Trading Estate, Worcester, WR3 8TJ	500.00
CM02	Miller Construction	Miller House, 2 Lochside View, Edinburgh Park, Edinburgh, EH12 9DH	0.00
CM04	Mobile Mini Uk Ltd	28 Falcorn Court, Preston Farm Business Park, Stockton on Tees, TS18 3TX	1,240.02
CP01	Penit	Edwinstowe House, Edwinstowe, Nottinghamshire, NG21 9PR	805.00
CP00	Phoenix Worldwide Logistics Ltd	Unit B, Sandy Lane, Radford, Coventry, CV1 4DX	47.04
CP05	Pitney Bowes	PO Box 6569, Harlow, CM20 2FQ	0.00
CP02	Powell Gee & Co Ltd	Prospect Works, PO Box 15, Rigby Street, Wednesbury, West Midlands, WS10 ONP	12,582.50
CP03	Premium Credit Limited		11,867.69
CP04	Procure Cleaning	Redhills Farm, Harlington road, Toddington, Dunstable, LU5 6HF	1,279.95
CR00	R.R. Richardson Ltd	Junction House, 4-6 Southend Road, Beckenham, Kent, BR3 1SD	0.00
CR02	RedSky IT (Hemel) Limited	Viking House, Swallowdale Lane, Hemel Hempstead, HP2 7EA	327.75
CR01	Risk Assess Limited	55 Nunts Lane, Whitmore Oak, Coventry, CV6 4GZ	1,617.53
CS03	Sarnafil Ltd	Robberds Way, Bowthorpe, Norwich, NR5 9JF	7,202.17
CS05	SFS Intec Ltd	153 Kirkstall Road, Leeds, LS4 2AT	1,244.07
CS06	Sharkey Fabrication Ltd	Vincent Court, Hubert Street, Aston Lock, Birmingham, B6 4BA	52,982.05
CS09	Shield HR Limited	The Meridan, 4 Copthall House, Station Square, Coventry CV1 2FL	0.00

Kilobuild Roofing & Cladding Ltd
B - Company Creditors

Key	Name	Address	£
CS00	Speller Metcalfe	Solihull 6th Form College, Maple Road, Enigma Business Park, Malvern, Worcs, WR14 1GQ	0.00
CS02	State Securities	Burlington House, Botleigh Grange Office Campus, Grange Drive, Southampton, SO30 2DF	23,575.00
CS08	Structural Building Products	Broad Oak Works, Barston Lane, Eastcote, Barston, Solihull, B92 0JJ	1,572.63
CT03	Tek Limited	Seeleys Road, Greet, Birmingham, B11 2LQ	42,463.75
CT01	Thomas Vale Construction Ltd	Lombard House, Worcester Road, Stourport on Severn, Worcs, DY13 9BZ	0.00
CT02	Tim Clark Design Associates	Office 96B, Blackpole West, Worcester, WR3 8TJ	920.00
CT00	Trills Services Ltd	Enterprise House, 21 Sherwood Road, Aston Fields Industrial Estate, Bromsgrove, B60 3DR	0.00
CU00	UK Platforms Ltd	Unit 3, Dialog Fleming Way, Crawley, West Sussex, RH10 9NQ	1,390.35
CV01	Viking Direct	501 Beaumont Leys Lane, Leicester, LE4 2BN	839.82
CV02	Volkswagen Finance	Brunswick Court, Yoemans Drive, Blakelands, Milton Keynes, MK14 5LR	0.00
CV00	Vp Plc	Central House, Beckwith Knowle, Otley Road, Harrogate, HG3 1UD	1,058.00
CW00	W H Foster Rainscreen Solutions Ltd	Stourdale Road, Cardley Heath, West Midlands, B64 7BG	0.00
CX00	Xerox Finance	4th Floor Bridge House, Oxford Road, Uxbridge, Middx., UB8 1HS	0.00
80 Entries Totalling			616,226.18

THE INSOLVENCY ACT 1986

**STATEMENT OF THE PROPOSALS OF THE JOINT ADMINISTRATORS
OF KILOBUILD ROOFING & CLADDING LTD (IN ADMINISTRATION)**

PURSUANT TO PARAGRAPH 49(1) OF SCHEDULE B1 TO THE INSOLVENCY ACT 1986

1. These are the proposals of Gerald Clifford Smith and Beverley Jayne Marsh, the Joint Administrators of Kilobuild Roofing & Cladding Limited pursuant to paragraph 49(1) of schedule B1 to the Insolvency Act 1986 (as amended).
2. The Joint Administrators think that objective (a) of the administration, as detailed in paragraph 3(1) of Schedule B1 of the Insolvency Act 1986 (as amended), will not be achieved due to the absence of ongoing viability of the Company and the absence of funding required to meet existing and future working capital commitments. Objective (b) will not be achieved due to the Company having ceased to trade. As such, it is envisaged that objective (C) will be achieved, realising property in order to make a distribution to the secured or preferential creditors.
3. The Joint Administrators propose that:
 - a) The Joint Administrators continue to manage the affairs of the Company.
 - b) The Joint Administrators will continue to assist Hilton Baird Collection Services Ltd and Challenge Finance Limited (in Administration) to progress the collection of book debts. If there are book debts to recover after Challenge has recovered its indebtedness, the Joint Administrators will continue to progress the collection of outstanding book debts.
 - c) The Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986 (as amended), as they consider desirable or expedient to achieve the statutory purpose of the Administration.
 - d) Under Rule 2.106 of the Insolvency Rules 1986 (as amended) and in the absence of a Creditors' Committee, the remuneration of the Joint Administrators shall be fixed by reference to the time properly given by the Insolvency Practitioners (as Administrators) and their staff in attending to matters arising in the Administration. Disbursements known as category 2 disbursements, to be drawn when the Joint Administrators see fit.

- e) In accordance with Statement of Insolvency Practice No 9 (SIP9), the Joint Administrators be authorised to draw remuneration as and when funds are available on account of their time costs. A creditors' guide to fees can easily be accessed on the Vantis website on www.vantisplc.com.
- f) In this particular case, it is proposed that a meeting of creditors will not be convened because the Joint Administrator consider there is insufficient property to enable a distribution to be made to unsecured creditors, accordingly it will fall upon the secured or preferential creditors (if applicable) to approve the Joint Administrators' remuneration and disbursements.
- g) It is envisaged that all necessary matters in respect of the Administration will have been concluded by the anniversary of the Administration. However, in the event that further time is needed to complete any matters, it is proposed that the Administration be extended by the consent of creditors and/or application to the Court in accordance with Paragraph 78 of Schedule B1 to the Insolvency Act 1986 (as amended), whichever is appropriate, following which we will proceed to the steps outlined in paragraphs 3 (h) and (i) below
- h) Once all assets have been realised, and if there are no funds available to enable a distribution to the unsecured creditors, we propose filing a notice pursuant to Paragraph 84 of Schedule B1 to the Insolvency Act 1986 (as amended) together with our final progress report at Court and with the Registrar of Companies for the dissolution of the Company. We shall send copies of these documents to the Company and its creditors. The appointment will end following the registration of the notice by the Registrar of Companies.
- i) In the event that a prescribed part (see Section 9) is available for distribution, or that the Paragraph 84 procedure in paragraph (h) is no longer appropriate, then the Company should be placed into either Creditors' Voluntary or Compulsory Liquidation, whichever process is most appropriate and the Joint Administrators propose that they be appointed as Joint Liquidators of the Company. If a Creditors Voluntary Liquidation is proposed, the creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved.

- j) The Joint Administrators' will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 (as amended) immediately upon their appointment as Administrators ceasing to have effect.

Dated this **28 July 2009**

A handwritten signature in black ink, appearing to read 'G. Clifford Smith', with a large, sweeping flourish at the end.

Gerald Clifford Smith

Joint Administrator

Licensed by the Institute of Chartered Accountants in England & Wales

**The Joint Administrators act as agents of the company and without personal liability.
The affairs, business and property of the company are being managed by Gerald Clifford Smith and Beverley Jayne Marsh who were appointed Joint Administrators on 5 June 2009**

Time Analysis for the Period from 5 June 2009 to 27 July 2009

Appendix E

<u>Classification of Work</u>	<u>Partners Hours</u>	<u>Managers Hours</u>	<u>Administrators & Support Staff Hours</u>	<u>Total Hours</u>	<u>Time Cost £</u>	<u>Average Rate p/h</u>
Administration and Planning	2.00	8.00	8.30	18.30	3,771.00	206.07
Asset Realisations	-	7.00	8.70	15.70	2,949.00	187.83
Travel	-	-	1.00	1.00	170.00	170.00
Case Accounting	-	-	3.75	3.75	337.50	90.00
Employees	-	-	12.80	12.80	2,176.00	170.00
Statutory Compliance	-	4.00	4.50	8.50	1,605.00	188.82
Unsecured Creditors	-	2.00	11.30	13.30	2,341.00	176.02
Debt Collection	-	6.00	-	6.00	1,260.00	210.00
Total Hours	2.00	27.00	50.35	79.35		
Total Time Cost	680.00	5,670.00	8,259.50		14,609.50	
Average Rate per Grade	340.00	210.00	164.04			184.11

1 Policy

Detailed below is Vantis policy in relation to:

- disbursements;
- staff allocation and the use of sub-contractors;
- professional advisors;

1.1 Disbursements

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Standard professional practice¹ requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at.

Required professional practice classifies expenses into two broad categories:

- Category 1 expenses (approval not required) – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external supplier's invoice or published tariff of charges;
- Category 2 expenses (approval required) – all other items of expenditure:
 - Which cannot, or cannot easily, be directly related to a particular insolvency case because there is an element of shared or allocated cost; and/or
 - Where the cost of the expense incurred is an estimated, unitised cost with the estimated based on external costs or opportunity cost.

1.2 Staff Allocation and the use of Sub-contractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

¹ Statement of Insolvency Practice 9 (SIP 9) effective from April 2007

The constitution of the case team will usually consist of a Partner, a Manager, an Assistant Manager and an Administrator. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment.

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, e.g. report compilation and distribution, do we seek to charge and recover our time in this regard.

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

1.3 Professional Advisors

On this assignment 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.

Name of Professional Advisor	Basis of Fee Arrangement
Edward Symmons LLP	Hourly rate and disbursements
Wilkes Partnership	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

2 Charge-out Rates

A schedule of Vantis charge-out rates for this assignment effective from 1 January 2009 is detailed below.

(Per hour) £	
Partner	
Partners	340
Manager:	
Senior Manager	250
Manager	230
Assistant Manager	210
Administrator:	
Senior	170
Administrator	140
Trainee Administrator	90
Support Staff:	
Cashier	90
Assistant	75