



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 4 3 0 4 8 4 9

Company name in full Metalysis Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Eddie

Surname Williams

3 Administrator's address

Building name/number Colmore Building

Street Colmore Circus

Post town Birmingham

County/Region

Postcode B 4 6 A T

Country

4 Administrator's name ①

Full forename(s) Christopher J

Surname Petts

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Rotterdam House

Street 116 Quayside

Post town Newcastle-Upon-Tyne

County/Region

Postcode N E 1 3 D Y

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report


6 Period of progress report

From date	<div>d</div> <div>0</div>	<div>d</div> <div>3</div>	<div>m</div> <div>0</div>	<div>m</div> <div>6</div>	<div>y</div> <div>2</div>	<div>y</div> <div>0</div>	<div>y</div> <div>2</div>	<div>y</div> <div>0</div>	
To date	<div>d</div> <div>0</div>	<div>d</div> <div>2</div>	<div>m</div> <div>1</div>	<div>m</div> <div>2</div>	<div>y</div> <div>2</div>	<div>y</div> <div>0</div>	<div>y</div> <div>2</div>	<div>y</div> <div>0</div>	

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's signature	<div>Signature</div> <div>X</div> <div></div> <div>X</div>								
Signature date	<div>d</div> <div>1</div>	<div>d</div> <div>7</div>	<div>m</div> <div>1</div>	<div>m</div> <div>2</div>	<div>y</div> <div>2</div>	<div>y</div> <div>0</div>	<div>y</div> <div>2</div>	<div>y</div> <div>0</div>	

**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 **Alia K Khan**

Company name **Grant Thornton UK LLP**

Address **4 Hardman Square**

Spinningfields

Post town **Manchester**

County/Region

Postcode

M	3		3	E	B		
---	---	--	---	---	---	--	--

Country

DX

Telephone **0161 953 6900**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ 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



Metalysis Limited - in administration

UK Recovery
Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Joint Administrators' progress report for the
period 3 June 2020 to 2 December 2020

Prepared by: Chris Petts, Administrator

Contact details: Should you wish to discuss any matters in
this report, please do not hesitate to
contact Alia Khan on 0161 214 3698

Definitions

The following definitions are used either within the body of this report, the appendices to it, or both.

AG/the solicitors	Addleshaw Goddard LLP
The Company, Metalysis	Metalysis Limited – in Administration
CVL	Creditors' Voluntary Liquidation
ERA	ERA Solutions Limited
Hercules, the secured creditor	Hercules Capital Inc
HMRC	HM Revenue & Customs
Joint administrators/we/I/us	Eddie Williams and Christopher Petts. Eddie Williams resigned as Joint Administrator on 11 December 2020 and Christopher Petts remains in office as the sole appointee
PAYE	Pay as you earn
The Period	3 June 2020 to 2 December 2020
PRG, the purchaser	Power Resources Group Ltd
The Properties	Unit 4a and 4b, Brindley Way, Catcliffe, Rotherham, S60 5FS Unit 2, Farfield Park, Wath upon Dearne, Rotherham, S63 5DB Units 1 and 2, Paragon Point, Manvers Way, Wath upon Dearne, Rotherham
The Proposals	The joint administrators' proposals dated 17 July 2019
RPS	Redundancy Payments Service
SPA	Sale and purchase agreement dated 5 July 2019
TUPE	Transfer of Undertakings (Protection of Employment) Regulations
VAT	Value added tax

1 Executive summary

- This progress report for the Company's administration covers the period from 3 June 2020 to 2 December 2020
- Our proposals were deemed approved on 1 August 2019 in accordance with rule 3.38(4) of the Insolvency (England and Wales) Rules 2016
- In addition to our statutory duties, the key work done in the Period was to collect the remaining deferred consideration and make a final distribution to Hercules, the secured creditor. The remaining licence fee has been settled and we are continuing to liaise with PRG and AG regarding the final lease which is yet to be assigned
- The administration was extended for a period of 12 months and is currently due to end on 2 June 2021
- Once the final lease is assigned the administration can be concluded, which is expected to take place in early 2021
- It is unlikely that there will be sufficient funds to make a distribution to unsecured creditors (other than by virtue of the prescribed part), and therefore it is intended to exit the administration and move to dissolution



Chris Petts
Administrator

17 December 2020

2 Progress

2.1 Strategy and progress in the Period

This report should be read in conjunction with all previous reports. Copies of which are available on the creditor portal or can be requested free of charge by contacting the administrators.

During the Period, in addition to our statutory duties, we have:

- collected the deferred consideration from PRG;
- liaised with PRG and AG regarding the Properties and the assignment of the leases;
- returned the balance of the licence fee held to PRG;
- made a final distribution to the secured creditor; and
- sought approval from the secured creditor for the administrators' remuneration.

2.2 Trading

Our proposals provided the background to the trading period and explained why a period of trading was appropriate.

2.3 Realisation of assets

We attach as Appendix A, an account of our receipts and payments for the Period.

Consideration

In addition to the initial consideration of \$1.5m received upon completion, we received the remaining \$1m in the Period. The total collected is equivalent to £2m and is shown on the receipts and payments account as follows:

£	This period	Total
Fixed charge: Plant & machinery	445,777	1,440,654
Floating charge: Plant & machinery	-	167,544
Floating charge: Stock	-	40,050
Fixed charge: Goodwill	8,805	8,805
Fixed charge: Intellectual property	342,930	342,930
Total	797,511	1,999,983

Licence fee

PRG was granted a licence to occupy the Properties for six months as part of the SPA. Half of the licence fee was paid by PRG upon completion, being £86,325. The second half was due to be paid within two months of completion, being 5 September 2019, but was not paid by PRG as it was anticipated that rent free periods would be agreed.

In October 2019 PRG instructed solicitors to assist them in assigning the leases to Farfield Park and Brindley Way. AG was retained to review the documents on behalf of the joint administrators.

In July 2020 the lease to Unit 2 Farfield Park was assigned.

The leases to Units 1 and 2 Paragon Point expired during the licence to occupy period and the landlord has agreed a new lease with PRG in respect of Unit 2. PRG vacated Unit 1 during the Period and the landlord accepted the return of the keys as a surrender by operation of the law.

The lease to Brindley Way, Catcliffe has not yet been assigned and discussions have been ongoing for some time.

Given that PRG negotiated rent free periods for two of the Properties (Unit 2, Farfield Park and Brindley Way, Catcliffe), not all of the licence income was used to discharge licence costs. As such, the balance of £25,651 was returned to PRG during the Period.

Licence payments made total £64,949 plus VAT (£14,517 plus VAT of which was paid in the Period) and relate to rent for units 1 and 2 Paragon Point and insurance for Unit 2 Farfield Park. As none of the Properties are opted to tax in respect of VAT, all licence expenditure has been charged gross as the VAT is irrecoverable.

2.4 Additional assets

No additional asset realisations are expected.

3 Creditors

3.1 Secured creditor

Hercules was granted a fixed and floating charge debenture over the Company's assets on 26 March 2018, which was registered at Companies House on 6 April 2018. At the date of administration, the balance due and secured by this debenture was approximately \$3.7m, including interest and charges.

Following the sale of the business and assets, a first distribution was made to Hercules of £807,038 (\$1m).

During the Period, the following distributions were made to Hercules:

- £475,293 (\$600,000) on 14 July 2020
- £309,178 (\$400,000) on 8 October 2020

Hercules has received a total of £1,591,509 (\$2m). No further funds will be distributed.

3.2 Preferential creditors

Preferential creditor claims consist of employee claims for wages and holiday pay, up to certain statutory limits. A significant element of these claims was subrogated to the Secretary of State, following payment of claims by the RPS.

There were 59 employees, including two non-executive directors, working at the Company upon our appointment. 49 redundancies were made during the administration period and the total preferential claim figure has been calculated at £78,876.

Based upon current asset realisations and the costs of the administration, there will be insufficient funds available to enable a distribution to the preferential creditors.

The 10 remaining employees' contracts were transferred under TUPE with the sale of the business to PRG, so no preferential claims should arise because of their transfer.

3.3 Unsecured creditors

Unsecured creditors consist of the following:

Creditor	Statement of affairs (£)	Claim received (£)
Trade and expense	936,619	350,204
HMRC	226,752	-
Other accruals	1,641	-
Convertible loan notes – principal	4,100,001	-
Convertible loan notes – deemed interest	624,829	-
Total	5,889,842	350,204

Notes: Claims received are from 51 number of creditors

Prescribed part

In accordance with section 176A of the Insolvency Act 1986, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company. The prescribed part calculation is applied to the net property available and is calculated at 50% of the first £10,000 of net realisations and 20% of all further amounts, up to a maximum prescribed part of £600,000.

Beause of the floating charge realisations achieved, the net property is estimated to be nil, therefore there will be insufficient assets to enable a prescribed part distribution to unsecured creditors.

4 Investigations into the affairs of the Company

4.1 Statutory investigations

We undertook an investigation into the Company's affairs to establish whether there were any potential asset recoveries, or conduct matters that required further investigation, taking into account the public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved.

Based upon the outcome of our investigations into the affairs of the Company to date, there are no matters identified that need to be reported to the creditors. However, we would be pleased to receive from any creditor any useful information concerning the Company, its dealing or conduct which may assist us.

5 Joint Administrators' remuneration and disbursements

5.1 Overview

Our remuneration is being charged on a time and cost basis as agreed by Hercules on 2 December 2020.

We have incurred time costs in the Period amounting to £33,777, bringing the cumulative totals at Period end to £336,565, none of which has been paid.

In addition to time costs and expenses incurred, we estimate an additional £5,000 in time costs and £2,000 in expenses to deal with the remaining matters as detailed in this report and to close the administration.

This brings our total estimated time costs to £341,565 in comparison to the time costs in our fees estimate totalling £260,070, which was supplied to creditors when we sought approval of our fee basis. At this time, we do not seek to revise our fees estimate to be able to draw more remuneration.

Further details about remuneration and expenses are provided in Appendix B to this report.

6 Future strategy

6.1 Future conduct of the administration

We will continue to manage the affairs, business, and property of the Company to achieve the purpose of the administration. This will include but not be limited to:

- payment of administration expenses, including our remuneration;
- finalising the assignment of the remaining lease;
- finalisation of the Company's tax affairs, including completion of corporation tax and VAT returns and settlement of any liabilities, and
- complying with statutory and compliance obligations.

It is estimated that the administration will be concluded in early 2021.

6.2 Extension of the administration

The duration of an administration is restricted to 12 months from the date of commencement unless it is extended with the permission of the creditors or the court. The creditors previously approved a 12 month extension to 2 June 2021. It is unlikely that a further extension will be required.

6.3 Exit from administration

As detailed in our proposals we do not consider it likely that we will have sufficient funds to make a distribution to unsecured creditors, and therefore intend to exit the administration and move to dissolution.

The circumstances remain such that exit via dissolution is the proposed exit route.

6.4 Discharge from liability

At the conclusion of the administration we require discharge from liability.

As there are insufficient funds to make a distribution to creditors, we will seek a resolution from the secured creditor in order to obtain our discharge from liability.

6.5 Data protection

Any personal information held by the Company will continue to be processed for the purposes of the administration of the Company and in accordance with the requirements of data protection. Our privacy notice on our website (www.grantthornton.co.uk/en/privacy) contains further details as to how we may use, process and store personal data.

6.6 Contact from third parties

Please be aware that fraudsters have been known to masquerade as the legitimate Joint Administrators. Fraudsters may contact creditors asking for an upfront fee or tax to release an investment or to enable payment of a dividend / the release of money payable to the creditor. An administrator would never ask for such a payment nor instruct a third party to make such a request.

6.7 Covid-19

This report has been produced during the Covid-19 restrictions. We have taken every reasonable step to ensure that the information is accurate, but if anything is incorrect or incomplete, we will provide an explanation and corrected information in the next progress report.

6.8 Future reporting

Our next report to creditors will be issued within one month of the end of the next reporting period, 2 July 2021, or earlier if the administration has been completed by that date.

Metalysis Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 03/06/2020 To 02/12/2020 £	From 03/06/2019 To 02/12/2020 £
	SECURED ASSETS	
	Plant & Machinery	445,776.76
	Goodwill	8,805.00
	Intellectual Property	342,930.00
	Cash at Bank	NIL
		797,511.76
	COSTS OF REALISATION	
	Legal Fees	NIL
	Agents/Valuers Fees	10,983.06
		(10,983.06)
	SECURED CREDITORS	
	Hercules Capital	784,471.44
		(784,471.44)
	ASSET REALISATIONS	
42,428.00	Cash at bank and in hand	NIL
NIL	DTI Grant	NIL
NIL	Employee advance	NIL
50,000.00	Goodwill	NIL
50,000.00	Intellectual Property	NIL
NIL	Inventory	NIL
	Licence fee	17,265.00
900,000.00	Plant & Machinery	NIL
NIL	R&D Tax credit	NIL
	Stock	NIL
	Trading Surplus/(Deficit)	NIL
NIL	VAT Refund	NIL
		17,265.00
	COST OF REALISATIONS	
	Agents/Valuers Fees (1)	NIL
	Bank Charges	15.00
	Insurance of Assets	(409.55)
	Legal Fees (1)	NIL
	Licence expenses	14,516.69
	Professional Fees	NIL
	Re-Direction of Mail	(422.00)
	Refund of licence income surplus	25,651.00
	Stationery & Postage	312.48
	Statutory Advertising	NIL
	VAT irrecoverable	12,989.80
		(52,653.42)
	PREFERENTIAL CREDITORS	
(201,820.00)	Employee Arrears/Hol Pay	NIL
		NIL
	FLOATING CHARGE CREDITORS	
(3,156,790.00)	Floating Charge Creditor	NIL
		NIL
	UNSECURED CREDITORS	
(226,752.00)	HMRC	NIL
(624,829.00)	Loan notes - interest	NIL
(4,100,001.00)	Loan notes - Principal	NIL
(1,641.00)	Other accruals	NIL
(936,619.00)	Trade & Expense Creditors	NIL

Metalysis Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 03/06/2020 To 02/12/2020 £	From 03/06/2019 To 02/12/2020 £
		NIL	NIL
DISTRIBUTIONS			
(17,381,098.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(25,587,122.00)		(33,331.16)	248,924.27
REPRESENTED BY			
	Fixed Charge VAT on Purchases		1,093.60
	Floating Current Account NIB		254,942.01
	HMRC - VAT received/paid		796.00
	VAT on Purchases		(7,907.34)
			248,924.27

Appendix B - Payments, remuneration and expenses to the joint administrators or their associates

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in accordance with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers:

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the Period
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-administration costs are fees charged and expenses incurred by the joint administrators or other qualified insolvency practitioners, before the Company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Since the date of the joint administrators' last report, Hercules has agreed costs of £25,000 for Grant Thornton's work during the pre-administration period. As Hercules was party to the letter of engagement, these fees will be settled by Hercules directly and will fall outside of the administration estate, therefore having no impact on any returns to creditors. The remaining pre-appointment time of £29,793 will be written off.

Post-appointment costs

Fee basis of the joint administrators

On 2 December 2020, approval for the joint administrators' remuneration on a time cost basis was given by the secured creditor, Hercules. This is subject to the fees estimate of £260,070.

During the Period time costs were incurred totalling £33,777 represented by 106 hrs at an average of 318 £/hr (as shown in the 'Work done' section below). This brings cumulative time costs at the Period end to £336,565 of which £0 has been paid. A description of the work done in the Period is provided in the respective section below.

As at the Period end, as shown in the 'Work done' section below, cumulative recorded time costs have exceeded the time costs in the fees estimate of £260,070. This is primarily because:

- we underestimated the time involved in allocating the trading expenditure across two sites and obtaining final invoices for costs incurred during the trading period;
- we underestimated the time spent in dealing with the properties including the payment of rent, collecting the licence fee, and liaising with all stakeholders regarding the assignment of the leases;
- receipt of the deferred consideration was delayed, which incurred more time; and
- the assignment of the leases became protracted and one lease is yet to be assigned.

Total expenses incurred to the Period end amount to £226,237, which exceeds the expense estimate of £209,802. This is primarily due to the trading costs and electricity charges to maintain the site, which were difficult to estimate accurately in advance. Both the fee and expense estimates were provided to the creditors with the joint administrators' proposals.

At present we do not expect to seek an increase in the fees estimate as we will be limited by asset realisations; however, we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 18 December 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis. Reasons for any excess of the fees estimate are included in the 'Fee basis' section above. Note, however, that the level of fees eventually paid may be less depending on the value of asset recoveries or successful claims, for example. Details of expenses incurred in connection with work done are provided in the 'Disbursements and expenses' section below.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees (time costs) incurred		
Trading				0.45 hrs	£117	£/hr 260
Trading (general)	<ul style="list-style-type: none"> Ensuring all other utility accounts have been settled in full 	<ul style="list-style-type: none"> To agree and pay all trading costs and complete undertakings given 	<ul style="list-style-type: none"> This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available 			
Assets				33 hrs	£10,932	£/hr 328
Insurance	<ul style="list-style-type: none"> Correspondence with Marsh regarding the assignment of the leases 	<ul style="list-style-type: none"> To ensure the correct cover is being provided during the assignment of the leases and is removed appropriately upon consignment 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process 			
Property	<ul style="list-style-type: none"> Correspondence with AG and PRG regarding the assignment of leases Agreeing costs in relation to legal work required Responding to incoming queries from landlords regarding assignment progression Reviewing and paying incoming rental invoices Requesting progress updates from PRG regarding the outstanding licence fee Returning the licence fee balance to PRG 	<ul style="list-style-type: none"> The purchaser is required, under the terms of the SPA, to pay the licence fee and complete an assignment of the leases where appropriate 	<ul style="list-style-type: none"> This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available 			
Sale of business	<ul style="list-style-type: none"> Correspondence with AG and PRG regarding the payment of the deferred consideration 	<ul style="list-style-type: none"> To ensure the payment of the deferred consideration is collected into the estate 	<ul style="list-style-type: none"> This work was necessary to realise financial value for the estate and for a 			

	<ul style="list-style-type: none"> Allocation of the deferred consideration receipt Review of SPA documents regarding security position in the event of a default 		distribution to creditors should sufficient funds become available			
Other assets	<ul style="list-style-type: none"> Assessing the opportunity to obtain a rates refund 	<ul style="list-style-type: none"> To ensure that any potential assets were identified 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process 			
Creditors				14 hrs	£4,833	£/hr 336
Secured	<ul style="list-style-type: none"> Seeking approval from the secured creditor to extend the administration for a period of 12 months Providing general case updates to the secured creditor as necessary Seeking fee authority from the secured creditor 	<ul style="list-style-type: none"> To comply with statutory requirements To keep key stakeholders informed 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process 			
Unsecured	<ul style="list-style-type: none"> Processing proof of debt claims received from creditors on the portal Responding to incoming creditor queries 	<ul style="list-style-type: none"> To comply with statutory duties and keep stakeholders informed 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process 			
Administration				58.1 hrs	£17,896	£/hr 308
Case set-up	<ul style="list-style-type: none"> Monitoring the WIP position and ensuring the necessary take on tasks have been completed in advance of drawing administrators' fees 	<ul style="list-style-type: none"> To enable the drawing of administrators' fees 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 			
Case management	<ul style="list-style-type: none"> Completing internal case file reviews Reviewing and completing case diary lines Maintaining and updating an estimated outcome statement Internal case meetings to discuss progress 	<ul style="list-style-type: none"> To monitor the progression of the case and to ensure statutory deadlines are met and asset realisations are pursued 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate 			

	<ul style="list-style-type: none"> Preparing the documents to extend the administration 		
Reports to creditors, notices & decisions	<ul style="list-style-type: none"> Preparing and circulating a progress report to creditors Preparing and circulating a report to all known creditors confirming the extension of the administration 	<ul style="list-style-type: none"> To keep creditors informed in accordance with insolvency legislation 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Shareholders/ debtor/ director communications	<ul style="list-style-type: none"> Responding to emails from shareholders and directors 	<ul style="list-style-type: none"> To keep stakeholders informed 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Treasury, billing & funding	<ul style="list-style-type: none"> Processing regular bank reconciliations Processing and accounting for all receipts and payment into the estate 	<ul style="list-style-type: none"> To maintain the estate bank account 	<ul style="list-style-type: none"> This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Tax	<ul style="list-style-type: none"> Preparing corporation tax return letter and submission to HMRC Requesting tax clearance from HMRC Assessment of the option to tax position in relation to the licence to occupy per PRG's request 	<ul style="list-style-type: none"> To ensure the correct allocation and payment of any tax due 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process
Total fees incurred in the Period			106 hrs £33,778 £/hr318

Detailed SIP9 time cost analysis for the period and fee estimate variance analysis as at period end
 Period from 03/06/2020 to 02/12/2020

Area of work	Partner Hrs	£	Manager Hrs	£	Executive Hrs	£	Administrator Hrs	£	Period total Hrs	£	£/hr	Cumulative total as at period end Hrs	£	£/hr	Fees estimate Hrs	£	£/hr	Variance Hrs	£
Trading:									0.45	117.00	260.00	173.10	44,228.00	255.51	248.00	77,890.00	314.07	74.90	33,662.00
Trading (general)	-	-	-	-	0.45	117.00	-	-	0.45	117.00	260.00	173.10	44,228.00	255.51					
Realisation of assets:									33.35	10,931.50	327.78	276.05	100,674.00	364.69	203.00	76,015.00	374.46	(73.05)	(24,659.00)
Insurance	-	-	0.70	238.00	-	-	-	-	0.70	238.00	340.00	5.90	1,918.00	325.08					
Property	-	-	20.40	6,730.00	3.45	985.50	-	-	23.85	7,715.50	323.50	62.40	20,033.75	321.05					
Debtors	-	-	-	-	-	-	-	-	-	-	-	2.00	600.00	300.00					
Intellectual property	-	-	-	-	-	-	-	-	-	-	-	0.50	255.00	510.00					
Sale of business	-	-	8.50	2,882.00	-	-	-	-	8.50	2,882.00	339.06	166.50	65,806.50	395.23					
Other assets	-	-	0.30	96.00	-	-	-	-	0.30	96.00	320.00	8.90	3,031.50	340.62					
General	-	-	-	-	-	-	-	-	-	-	-	29.85	9,029.25	302.49					
Investigations:									-	-	-	24.05	7,570.25	314.77	35.00	9,175.00	262.14	10.95	1,604.75
Debtor / director / senior employees	-	-	-	-	-	-	-	-	-	-	-	6.80	2,397.00	352.50					
General	-	-	-	-	-	-	-	-	-	-	-	17.25	5,173.25	299.90					
Creditors:									14.40	4,832.50	335.59	233.22	65,552.65	281.08	197.00	50,025.00	253.93	(36.22)	(15,527.65)
Secured	1.30	630.50	11.10	3,634.00	1.20	360.00	-	-	13.60	4,624.50	340.04	26.30	8,863.00	337.00					
Employees & pensions	-	-	-	-	-	-	-	-	-	-	-	104.97	28,822.40	274.58					
Unsecured	-	-	0.40	136.00	-	-	0.40	72.00	0.80	208.00	260.00	95.15	26,178.25	275.13					
Retention of title	-	-	-	-	-	-	-	-	-	-	-	6.80	1,689.00	248.38					
Administration:									58.15	17,896.00	307.76	344.85	118,540.00	343.74	155.00	46,965.00	303.00	(189.85)	(71,575.00)
Case set-up	-	-	-	-	-	-	0.50	82.50	0.50	82.50	165.00	0.50	82.50	165.00					
Case management	1.30	645.50	4.80	1,582.00	3.65	967.50	1.85	333.00	11.60	3,528.00	304.14	30.00	9,232.00	307.73					
Reports to creditors, notices & decisions	2.30	1,143.00	13.80	4,692.00	1.10	330.00	3.75	675.00	20.95	6,840.00	326.49	23.60	7,429.00	314.79					
Shareholders / debtor / director communications	-	-	0.90	300.00	-	-	-	-	0.90	300.00	333.33	1.40	470.00	335.71					
Treasury, billing & funding	-	-	0.50	170.00	10.75	2,162.50	3.35	591.00	14.60	2,923.50	200.24	56.90	10,901.00	191.58					
Tax	-	-	1.10	550.00	-	-	1.70	204.00	2.80	754.00	269.29	28.90	11,560.25	400.01					
Pensions	-	-	-	-	-	-	-	-	-	-	-	17.40	7,734.00	444.48					
General	6.80	3,468.00	-	-	-	-	-	-	6.80	3,468.00	-	186.15	71,131.25	382.12					
Total	11.70	5,887.00	62.50	21,010.00	20.60	4,922.50	11.55	1,957.50	106.35	33,777.00	317.60	1,051.27	336,564.90	320.15	838.00	260,070.00	226.69	(213.27)	(76,494.90)

- Notes:
- Partner includes partners and directors
 - Manager includes associate directors and managers
 - Executive includes assistant manager and executives
 - Adverse variances are presented in brackets
 - Total time costs paid to date: £0

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above. The table excludes licence expenses as these costs are funded by PRG under its licence fee.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency bonding	-	500	-
Subsistence	-	419	-
Postage	-	13	-
Category 2 disbursements			
Mileage	-	3,830	-
Expenses			
Rents	-	18,826	18,826
Rates	-	10,129	10,129
Heat & Light	-	22,555	22,555
Professional Fees	-	890	890
Hire of Equipment	-	1,920	1,920
PAYE/NI	-	28,833	28,833
Net Wages	-	54,453	54,453
Other Payroll Deductions/benefits	-	8,535	8,535
Security	-	1,247	1,247
Legal Fees: Addleshaw Goddard LLP	3,176	49,588	40,023
Agents/Valuers Fees	-	10,983	10,983
Professional fees: ERA Solutions Ltd	-	2,400	2,400
Professional Fees: Claire Butler	-	560	560
Stationery & Postage	312	650	650
Statutory Advertising	-	147	147
Insurance of Assets	-	14,491	14,491
Bank charges	15	30	30
Total expenses and disbursements	3,503	226,237	216,672

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements were approved by the secured creditor on 2 December 2020.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above, where incurred.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others, we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	<ul style="list-style-type: none">Tax work/advice (narrative is included within the above narrative of work done)	<ul style="list-style-type: none">Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators’ fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders’ (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton’s website:

<https://www.grantthornton.co.uk/portal>

Alternatively, we will supply this information by post, free of charge, on request.

C Statutory information

Company information

Company name	Metalysis Limited
Date of incorporation	15 October 2001
Company registration number	04304849
Former trading addresses	Unit 4, Brindley Way, Rotherham South Yorkshire S60 5FS Unit 2, Farfield Park, Wath upon Dearne, Rotherham, S63 5DB Units 1 and 2, Paragon Point, Manvers Way, Wath upon Dearne, Rotherham
Present registered office	Grant Thornton UK LLP 4 Hardman Square Spinningfields Manchester M3 3EB

Administration information

Administration appointment	The administration appointment granted in the High Court of Justice, Business and Property Court, 3439 of 2019
Appointor	the directors
Date of appointment	3 June 2019
Joint Administrators' names	Christopher Petts and Eddie Williams. Eddie Williams resigned as Joint Administrator on 11 December 2020
Joint Administrators' addresses	Colmore Building, Colmore Circus, Birmingham, B4 6AT Rotterdam House, 116 Quayside, Newcastle-Upon-Tyne, NE1 3DY
Purpose of the administration	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)
Estimated values of the net property and prescribed part	The Company's net property is estimated to be nil, so there will be no prescribed part available
Functions	In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them.
Current administration expiry date	2 June 2021

D Notice about this report

This report has been prepared solely to comply with the Joint Administrators' statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Eddie Williams is authorised in the UK to act as an Insolvency Practitioner by the The Institute of Chartered Accountants in England and Wales. Christopher J Petts is authorised in the UK to act as an Insolvency Practitioner by the the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointment of the Joint Administrators are personal to them and to the fullest extent permitted by law, Grant Thornton UK LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

Please note you should read this progress report in conjunction with the Joint Administrators' previous progress reports and proposals issued to the Company's creditors, which can be found on the Grant Thornton portal (<https://www.grantthornton.co.uk/portal/>). Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.

