

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company

KRYOTRANS INTERNATIONAL LIMITED

Company number

05640196In the High Court of Justice, Chancery
Division, Companies Court**Bristol District** (full name of court)
REGISTRY.Court case number
20 of 2011(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
John Dean Cullen FCCA FABRP
Harris Lipman LLP
Coptic House
4-5 Mount Stuart Square
Cardiff Bay
CF10 5EEBarry David Lewis FCA FABRP
Harris Lipman LLP
Coptic House
4-5 Mount Stuart Square
Cardiff Bay
CF10 5EE*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) 17 January 2011

Signed


John / Administrator(s)

Dated

17 January 2011

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 public record.

John Dean Cullen FCCA FABRP
Harris Lipman LLP
Coptic House
4-5 Mount Stuart Square
Cardiff Bay
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DX Exchange

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

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COMPANIES HOUSE

KRYOTRANS INTERNATIONAL LIMITED

**COMPANY NUMBER : 05640196
JDC/BDL/BLW/K3118**

REPORT TO CREDITORS

AND

STATEMENT OF JOINT ADMINISTRATORS' PROPOSALS

Issued on: 17 January 2011

KRYOTRANS INTERNATIONAL LIMITED -

Report to Creditors and Statement of Joint Administrators' Proposals, pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 (as amended)

Preface

This report and proposal have been prepared from information available to the Joint Administrators since their appointment, including information provided by the company's directors and management, and extracted from its accounting books and records. Whilst the facts and matters stated herein are true to the best of the Joint Administrators' knowledge and belief, the Joint Administrators do not warrant, nor can they accept any responsibility for, the accuracy of the information stated herein relating to the company, its assets, liabilities or financial position.

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JOINT ADMINISTRATORS' REPORT & PROPOSALS

1. Introduction

Barry David Lewis FCA FABRP and myself, John Dean Cullen FCCA FABRP of Harris Lipman LLP, Coptic House, 4-5 Mount Stuart Square, Cardiff Bay, CF10 5EE were appointed Joint Administrators of the above-named company on 12 January 2011, referred to under High Court of Justice Chancery Division, Bristol District Registry, 20 of 2011.

Our appointment as Joint Administrators of the Company was made following a Notice of Appointment of an Administrator by Christopher Charles Pollard, a director, being filed at the High Court of Justice Chancery Division, Bristol District Registry on 12 January 2011.

We were appointed to act jointly and severally in the exercising of any and all functions exercisable by an Administrator

We would also confirm that the EC Regulations shall apply in this matter, and these proceedings are the main proceedings since the company's registered office was Kings Wharf, 20-30 Kings Road, Reading, Berkshire, RG1 3EX and its trading address was 11 The Markham Centre, Theale, Berkshire, RG7 4PE.

The company's statutory information is set out at Appendix 1

A summary of the company's financial results, which has been extracted from the accounts of the company, is attached at Appendix 2

2. Background to the Administration

The Company was incorporated on 30 November 2005 in order to purchase the business of Kryotrans Limited from its Administrative Receivers. The sale was completed in the spring of 2006. The directors believed that they were purchasing a business which was underpinned by a fully functional and market approved product for production and onward sale. The product was a selection of different sized reusable temperature controlled transportation units with a logger on the outside which would log access to the unit together with any changes in temperature over the course of its transportation. The purpose of the product was to transport temperature sensitive cargo within the mediscience industry.

However, it later transpired that the market place required the product to be extensively validated. This resulted in significant investment from outside investors as well as the directors in order to first acquire environmental chambers and then to run many hundreds of virtual journeys to prove that the product was reliable and worked.

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Once the product had gained some acceptance from the industry, it became apparent that customers preferred to rent the product rather than make the capital investment to purchase it outright. This would have impacted on the investors who had previously benefited from tax relief as a result of the company being registered under the Enterprise Investment Scheme (EIS). Under the EIS scheme rules only 20% of the company's turnover could be from rental income which would have led to the investors having to repay the tax relief that they had previously benefited from.

The shareholders voted for another company CT2 Limited to take over the rental arm of the business whilst purchasing the product from the company. The intention was to secure investment for both companies. It was envisaged that it would enable the purchase of stock for CT2 Limited which would increase sales in Kryotrans International Limited, and also enable the development of new products as necessary. Unfortunately, this initiative coincided with the general economic downturn which had a profound effect upon the availability of capital for companies such as these in their early stages. The result was insufficient turnover for the company which, together with other financial pressures such as impending repayments to the chargeholder, General Capital Venture Finance Limited who are owed approximately £263,197 plus interest, has led to the company's insolvent position.

The company traded from 11 The Markham Centre, Theale, Berkshire, RG7 4PE.

3. Purpose of Administration

The purpose of an administration is to achieve one of the three objectives set out in the insolvency legislation, which are to:-

- (a) rescue the company as a going concern; or
- (b) achieve 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
- (c) realise property in order to make a distribution to one or more secured or preferential creditors

Objective (a) could not be achieved as no purchaser could be found for the shares of the company and the nature of the company's trading and its financial circumstances meant that a company voluntary arrangement was not appropriate.

As a result, I am seeking to achieve objective (b) for the company, and will do this by a pre-pack sale of the business.

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The insolvency legislation has set a 12 month maximum duration for administrations, unless the duration is extended by the court or the creditors. If I am unable to complete the administration of the company within 12 months then I will either apply to the court, or request consent from creditors, in order to seek approval to extending the duration of the administration.

4. Disclosure as required by Statement of Insolvency Practice 13 & 16

Statement of Insolvency Practice 13 relates to sales of assets to connected parties and Statement of Insolvency Practice 16, which came into force on 1 January 2009, relates to pre-packaged sales in Administrations. We therefore make the following disclosures as required by these statements.

The source of the administrator's initial introduction

Christopher Krzak, a director of the Company, was referred to me for advice following a meeting with his accountant, Mark Jones of Broomfield Alexander. He attended my office on 13 December 2010 for an initial advice meeting. He explained to me that the Company produced and sold secure temperature controlled transportation units for temperature sensitive medicines products with a 'logger' on the outside of the box to record when the box was opened and any changes in the internal temperature. He provided me with some financial information including the last set of financial statements and outlined the financial pressures which the company found itself under. I established that it was the Company that I was going to be engaged to advise.

In order to enable the investors to benefit from EIS relief, the Company became EIS registered. It soon transpired that customers preferred to rent the product rather than purchase it, despite it not appearing to be cost effective for them to do so. Under the EIS scheme rules, not more than 20% of the Company's turnover can be made up of rental activities. The requirement of customers to rent long term meant that this rule would be breached by the Company. The directors sought advice in relation to this and the breach would have resulted in the investors having to pay back the relief that they had received to HM Revenue and Customs.

It was therefore decided that an extraordinary general meeting would be held and the shareholders would be asked to vote on whether or not to allow the split of the Company. This vote resulted in a 97% majority in favour of the proposal. The shareholders were also invited to subscribe in shares in the new company at par, this invitation was only accepted by just under a third of shareholders.

Although the new company, CT2 Limited, has been purchasing the products from Kryotrans International Limited on normal trading terms and has become the company's largest customer, sales to third parties have taken too long to materialise and the Company has become unable to cover its costs. Not only this, the directors were aware of the impending pressure from General Capital

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Venture Finance Limited, which is now in Administration, because no payments had been made to them for some considerable time and the interest was increasing

The directors have tried to obtain investment in order to enable the Company to continue and two directors advanced a further £215,000 to the company in early 2010 to enable the process to continue. Whilst previous investors have been very taken with the concept, the process has broken down during the due diligence process. For example, a recent contingent of investors arrived in the UK keen to invest, but were soon put off when they began to try and understand the history of the Company together with its trading structure, CT2 Limited being the biggest client. The directors have invested approximately £1.2 million in the company, however they recognise that the structure needs to change going forward.

I advised that the company was insolvent and recommended that it be placed into a formal insolvency procedure. Mr Krzak advised me of the history of the business and how the temperature controlled boxes which the Company produced had required several years of investment in a validation process. This was a process of running dummy journeys with squirrel loggers enclosed to log any changes in temperature over the duration of the box's journey in order to prove the product to the market. Christopher Krzak advised that he and another director, Christopher Pollard, were interested in purchasing the business in order to continue the product which had now been validated.

The extent of the administrator's involvement prior to appointment.

On 15 December 2010 a member of my staff attended the premises together with a valuer from Edward Symmons LLP. Financial information was gathered together with a full history of the business. The valuer was provided access to the premises and warehouse in order to gather information for a valuation. The valuation was indicated to be approximately £40,000 for the business as a going concern and considerably less if broken up.

On 16 December 2010 I took formal instruction from the Company to assist it in placing the company into Administration and to act as Administrator should the consent of the qualifying floating charge holder be given. At all times I have advised the Company and I have not provided advice to the directors in their personal capacity other than their responsibility to the Company. The indication of value clearly showed that the business would be worth more if sold as a going concern and that this could only be done via Administration. The purpose of the Administration would therefore be in accordance with paragraph 3(1)(b) of Schedule B1 of the Insolvency Act 1986, 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).

The valuation was formally provided to me by Mr G S Mason MRICS of Edward Symmons LLP, 2 Southwark Street, London Bridge, London, SE1 1TQ on 21 December 2010. The valuation clearly indicates that the value of

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the business as a going concern is significantly greater than if it were broken up and the assets sold in a forced liquidation sale. If the latter were to be the case, the assets are only estimated to realise £3,100 On 22 December 2010 Christopher Krzak submitted a formal offer for the business on behalf of another company that he is associated with, Tower Cold Chain Solutions Limited

For confirmation, neither Harris Lipman LLP nor its staff have ever acted for the Company and/or its directors, shareholders or their associates at any time in the past. I have at all times remained in control of the sale process. The directors had no control over it

Any marketing activities conducted by the company and/or the administrator

The business was advertised by Edward Symmons LLP on their website page from 23 December 2010 The major creditors, namely the investors, were invited by the directors by email and post on 17 December 2010 to invest further capital. The sale particulars were sent to them on 23 December 2010 by the agents. One shareholder has signed a non-disclosure agreement in order to gain further information, however no offer has been submitted On 4th January 2011 key competitors, suppliers and customers were emailed, however no interest or offers have been forthcoming There has also been interest shown from one other party, however once again no offer has been forthcoming

Any valuations obtained of the business or the underlying assets

A valuation has been obtained from Edward Symmons LLP dated 21 December 2010. The summary of the assets valued and their valuations are as follows

	Market value as a whole in its working place (£)	Market value for disposal (£)
Office furniture, warehouse equipment etc	8,400	3,100
Moulds/Tooling	20,000	Nil
Stock of containers/components	10,000	Nil
Total	38,400	3,100

The goodwill, contracts customer lists, promotional literature and intellectual property rights have been reviewed by our agents They have reviewed them along side their original purchase price from when the company purchased the assets from the Administrative Receiver of Kryotrans Limited and have deemed the apportionment detailed in the sale agreement dated 12 January 2011 and below as appropriate The significant uplift in the value of the assets has been achieved because the assets were sold as part of a going concern sale The agents have recommended an immediate sale of the business in order to protect any value attaching to goodwill because closing the business and selling the assets would dissipate any goodwill They have advised that it

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is unlikely that any significant offers could be obtained for the assets if the business were to close.

The alternative courses of action that were considered by the administrator, with an explanation of possible financial outcomes

A liquidation was considered but deemed inappropriate given the indication of value that the agents had provided for a break up basis. The directors indicated that any cessation of trade would severely damage the business and its reputation. They also indicated that they would not be interested in purchasing the business if there was any cessation of trade. Therefore, a liquidation would not have generated a realisation of this magnitude. Since there was no current order book and the last set of accounts for the year ended 31 October 2009 showed a loss of £399,595, a voluntary arrangement was not considered appropriate either, as the Company would not be able to offer any return to creditors.

Why it was not appropriate to trade the business, and offer it for sale as a going concern, during the administration

The Company did not have an order book or any work in progress which could be completed through a trading administration. The estimated costs for trading through administration for rent, rates, utilities, wages and PAYE/NIC liabilities excluding administrator's fees would be approximately £17,390 per month. The bank account level was approximately £11.00 overdrawn on 15 December 2010 and there were no other feasible sources of funding.

Details of requests made to potential funders to fund working capital requirements

The debenture holder, General Capital Venture Finance Limited is in Administration and they have confirmed verbally that they would not be in a position to refinance. On 17 December 2010 the shareholders were invited by the directors by email and post to invest further capital, however no further investment was forthcoming.

Whether efforts were made to consult with major creditors

The major creditors, namely the investors, were consulted. They were invited by the directors by email and post on 17 December 2010 to invest further capital. The sale particulars were sent to them on 23 December 2010 by the agents. No offers were forthcoming.

The date of the transaction

Following a recommendation from Edward Symmons LLP to accept the offer, the transaction occurred immediately following the filing of our appointment documents on 12 January 2011. I can confirm as the vendor that my advice was independent of the purchaser's.

Details of the assets involved and the nature of the transaction

The transaction is a sale of the business including office furniture and warehousing equipment, moulds and tooling, stock, contracts, customer lists,

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promotional literature, Intellectual Property Rights and Goodwill. The transaction is a sale as a going concern on which I have received independent legal advice. My solicitors have drafted the sale agreement and an associated license to occupy the premises until the purchaser negotiates a new lease with the landlord or an assignment of the existing lease is granted. These documents have been provided to the purchaser prior to the transaction for review and they have been advised to seek their own independent legal advice. I do not believe that they have taken this advice.

The consideration for the transaction, terms of payment, and any condition of the contract that could materially affect the consideration.

The sum of £40,000 has been paid in full and final settlement of the business. This amount has been received in full. The consideration has been apportioned in line with the valuation provided by Edward Symmons LLP as follows

	Valuation (£)	Apportionment (£)
Office furniture, warehouse equipment etc	8,400	8,400
Moulds/Tooling	20,000	20,000
Stock of containers/components	10,000	10,000
Contracts	-	1
Customer Lists	-	1
Goodwill	-	597
Promotional Literature	-	1
Intellectual Property Rights	-	1,000
Total	38,400	40,000

If the sale is part of a wider transaction, a description of the other aspects of the transaction

The sale is not part of a wider transaction

The identity of the purchaser

The purchaser of the business is Tower Cold Chain Solutions Limited, a company run and owned by three of the same directors as Kryotrans International Limited

Any connection between the purchaser and the directors, shareholders or secured creditors of the company

The purchaser, Tower Cold Chain Solutions Limited is owned and run by three of the same directors as Kryotrans International Limited, Christopher Robert Krzak, Christopher Charles Pollard and Leslie Julius Stephen Komaromy. The only secured creditor of Kryotrans International Limited is General Capital Venture Finance Limited which is in Administration. It does not have a business relationship with Tower Cold Chain Solutions Limited.

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The names of any directors, or former directors, of the company who are involved in the management or ownership of the purchaser, or of any other entity into which any of the assets are transferred

The directors who are also the shareholders of Tower Cold Chain Solutions Limited were all directors and shareholders of Kryotrans International Limited. They are Christopher Robert Krzak, Christopher Charles Pollard and Leslie Julius Stephen Komaromy. Each of them are directors and shareholders and hold one ordinary share each.

Whether any directors have given guarantees for amounts due from the company to a prior financier, and whether that financier is financing the new business

There were no personal guarantees held by the directors and the financier, General Capital Venture Finance Limited is not providing funding to the new business.

Any options, buy-back arrangements or similar conditions attached to the contract of sale

None

5. The statement of affairs

A summary of the company's financial position as at 12 January 2011, which is known as a statement of affairs is attached at Appendix 3.

Comments to the Statement of Affairs

5.1 Goodwill

There is goodwill capitalised in the accounts as a result of the business having been purchased from the Administrative Receiver of Kryotrans Limited in 2006. This goodwill has been amortised over its estimated useful life of 5 years and therefore shows a net book value of £9,916 67. This is fixed under the fixed and floating charge granted to General Capital Venture Finance dated 23 February 2007.

5.2 Property Rights/Patents

The company had a patent registered in the UK and USA for the use of the temperature and access logger on the front of the reusable temperature controlled boxes. There is no value shown for it in the accounts as it was only purchased from the Administrative Receiver of Kryotrans Limited for £1. It is fixed under the fixed and floating charge granted to General Capital Venture Finance dated 23 February 2007.

5.3 Furniture & Equipment

This comprises office furniture, pallet racking, an electric pedestrian forklift truck and environmental chambers which would attract significant costs to remove. It has been depreciated on an annual basis in the accounts to give a net book value of £26,356 77, however the realisable value has been further written down on the basis of the

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agents valuation. It is subject to the floating charge granted to General Capital Venture Finance Limited dated 23 February 2007

5.4 Tooling

This is in relation to the moulds for the Type 400 container product that the company produces. There is also a prototype tool for the blow-moulding of eutectic plates which requires substantial modification to enable it to reach the production phase. It is subject to the floating charge detailed above.

5.5 Stock

Stock shows a net book value in the accounts of £118,654.00, however the directors have advised that this is grossly overstated. This figure currently represents the at cost figure for the stock, however the majority of it is now obsolete. A large amount relates to the cooling plates which have leached their contents over time as a result of their membrane being slightly permeable. It is subject to the floating charge detailed above.

5.6 Book Debts

The company's outstanding book debts amount to £4,681.25. This is in respect of two book debts, both of which the directors advise are realisable in full. We will request payment of these into the estate and appoint debt collection agents if necessary. They are subject to the floating charge detailed above.

5.7 VAT refund

The company has finalised its VAT return to the date of the Administration and believes that there is a refund due. We will liaise with HM Revenue & Customs in order to obtain this for the benefit of creditors as necessary. It is subject to the floating charge detailed above.

5.8 Cash at Bank

There is currently £9,591.48 in the company's bank account with HSBC Bank plc. We will liaise with HSBC Bank plc accordingly in order to obtain this for the benefit of the estate. It is subject to the floating charge detailed above.

5.8 Preferential Creditors

The only known preferential creditors are former employees of the company for unpaid wages and holiday pay. Their claims are subject to a maximum limit set by the insolvency legislation.

5.9 Prescribed Part

There are provisions of the insolvency legislation that require an administrator to set aside a percentage of a company's assets for the benefit of the

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unsecured creditors in cases where the company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An administrator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

The company gave a floating charge to General Capital Venture Finance on 23 February 2007 and the prescribed part provisions will apply. The statement of affairs of the company shows that the net property of the company is £52,491 79, and we estimate that the prescribed part of the net property for unsecured creditors is £13,498 36. However, these estimates do not take into account the costs of the administration which will reduce the amount of the company's net property and therefore reduce the amount available to unsecured creditors under the prescribed part provisions. The time costs disclosed below show that the net property is already reduced to £40,507 79 which would result in the prescribed part reducing to £11,101 56. Future work on the administration will have a further impact.

6. Joint Administrators' Receipts & Payment Account

An abstract of our receipts and payments for the period of the Administration to date is attached at Appendix 4.

The costs are self-explanatory and are also shown net of VAT although there are likely to be further costs details of which have not been received as yet.

7. Joint Administrators' strategy to achieve the purpose of the Administration

We decided that it was not appropriate to continue the business of the company and that an immediate sale of the company's business and assets was the best way to achieve the objective of the administration. As a result, upon the recommendation of Edward Symmons LLP, following our appointment on 12 January 2011, I sold the company's business and assets to Tower Cold Chain Solutions Limited.

In order to achieve the objective of the administration of the company we propose collecting the remaining book debts, the cash at bank and the VAT refund. We will also liaise with the Redundancy Payments Office in respect of the claims of former members of staff in respect of arrears of wages, holiday pay, pay in lieu of notice and redundancy pay. We will also comply with our statutory duty to conduct an investigation into the company's affairs and the conduct of the directors in order to submit the appropriate report on their conduct to the department of Business Innovation and Skills. Once finalised,

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should there be sufficient funds available we will pay a dividend to preferential creditors.

The company's financial position means there are insufficient assets to pay a dividend to unsecured creditors, although it is possible we will be able to make a distribution of the prescribed part of the net property

8. Joint Administrators' Remuneration and Expenses

As you will note from the proposals below, it is proposed that our remuneration be fixed by reference to time properly spent by ourselves and our staff in attending to matters arising in the Administration

For creditor's information, the charge out value of time costs in attending to matters arising in the Administration presently amounts to £1,984.00 made up of 12.4 hours at an average charge out rate of £160 per hour

In accordance with SIP 9, details of the current charge out rates of ourselves and our team who have been and will be dealing with the Administration are attached to this Report at Appendix 5, together with details of our disbursements recovery policy

Please go to <http://www.harris-lipman.co.uk/r3-insolvency-guides.htm> for the Creditors' Guide to Administrators' Fees (for appointments on or after 6 April 2010) if you require further information relating to administrator's remuneration. Alternatively a copy is available free of charge upon request to our office

9. Joint Administrators' pre-appointment costs

The board of the company instructed us to assist them in placing the company in administration on 16 December 2010. They agreed that we should be paid our pre-appointment fees and expenses. Attached at Appendix 6 is a detailed time cost table showing the pre-appointment time costs incurred by category and staff grade at our firm. They amount to £15,821.00 made up of 81.6 hours at an average charge out rate of £193.88. I have agreed to limit my fees at £10,000 plus VAT and disbursements and the balance will therefore be written off. In addition to our own time costs, the following expenses were incurred:

9.1 Agents Costs

In order to determine how to effectively place the company into an insolvency procedure, a valuation of the business was crucial. We contacted Edward Symmons LLP who are a national firm of Chartered Surveyors with the appropriate experience, expertise and resource to provide a valuation of the business. They have attended the trading premises and provided a valuation of the business and its assets. They have also undertaken a marketing campaign on a confidential basis. This has involved contacting some 24 parties who were either

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shareholders/investors, competitors, creditors or other companies whom it was considered might be interested. The business was advertised on their website and they have liaised with those parties who have made enquires. They have also reviewed the offer which was submitted and provided their advice in relation to it. Their fee for this has been agreed at £2,500 plus VAT.

9.2 Legal Costs

We have sought the expertise of Clarke Willmott LLP during the pre-appointment period. Their work has been fundamental in achieving the appointment and the completion of the sale of the business. They have ensured that the notices of intention to appoint have been valid and lodged at court. They have also lodged the appointment documents with the Court and undertaken the appropriate checks to ensure that the appointment is valid. They have drafted the sale agreement and associated license to occupy the business premises and have liaised with us and the purchaser in order to reach completion. Their fee for undertaking this level of work is £4,325.50 plus VAT and disbursements of £60 Court Fees and £6.20 plus VAT Photocopying charges.

We have undertaken the following pre-appointment work with a view to achieving the object of 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).

On 15 December 2010, a member of our team attended the company's trading premises to collate financial information and obtain an understanding and a history of the company. We instructed valuation agents, Edward Symmons LLP to conduct a valuation of the business and to advise on the value of the assets if the company were to be placed into liquidation. From the valuation, we were clearly able to formulate a strategy for a pre-packaged sale via Administration.

We have prepared all the appropriate documentation for the notice of intention to appoint administrators and liaised with the qualifying floating chargeholder, General Capital Venture Finance Limited through their Administrators at Grant Thornton LLP in order to obtain its support to the strategy.

We have prepared the documentation for the appointment of administrators and coordinated the filing of these documents in Court and their service on the relevant parties.

Once we had formulated an agreeable strategy, we instructed our agents to begin marketing the business for sale as a going concern. We have assisted them in this process by providing them with the company information in our possession and in liaising with the purchaser in respect of their offer.

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Upon receipt of an offer to purchase the business, we instructed our solicitors, Clarke Willmott LLP to draft a Sale Agreement together with a License to occupy the premises in the interim period before the existing lease could be assigned or a new lease negotiated.

We have fully documented the work that we have done and compiled a report to creditors advising them on the pre-packed sale.

The following statement sets out our pre-appointment fees and expenses incurred. The statement also shows those fees and expenses that were paid prior to the administration and those where approval is being sought to pay them from administration funds

Description	Paid pre-appointment £ (plus VAT)	To be paid £ (plus VAT)
Administrator's pre-appointment remuneration	Nil	10,000 00
Valuation Agents	Nil	2,500 00
Legal Costs	Nil	4,325 50
Legal Disbursements	Nil	66 20
Total	Nil	16,891.70

We are not convening a meeting of creditors as the company's financial position means there are insufficient assets to pay a dividend to unsecured creditors. As a result, it will be for the chargeholder and preferential creditors to approve my pre-appointment fees and expenses as set out above.

10. Joint Administrator's investigations

We have a duty to consider the conduct of those who have been directors of the company at any time in the three years preceding the administration. We are also required to investigate the affairs of the company in general in order to consider whether any civil proceedings should be taken on its behalf. We should be pleased to receive from you any information you have that you consider will assist us in this duty. We would stress that this request for information forms part of our normal investigation procedure.

11. Joint Administrators' Proposals

The approval of these proposals will be considered as a single resolution by the secured and preferential creditors.

We make the following proposals for achieving the objective as set out in paragraph 3 (1)(b) of Schedule B1 of the Act, 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.

It is proposed that

KRYOTRANS INTERNATIONAL LIMITED -

Report to Creditors and Statement of Joint Administrators' Proposals, pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 (as amended)

- 1 The Joint Administrators continue to manage the business and affairs and property of the Company in order to achieve the purposes of the Administration
- 2 The Joint Administrators will investigate the circumstances which led to the Company becoming insolvent.
- 3 The Joint Administrators will place the company into Liquidation if it transpires during the course of their investigations that there are matters or causes of action that can only be undertaken by a Liquidator.
- 4 The Joint Administrators believe that the company has insufficient property which might permit a distribution to its unsecured creditors and will send notice to that effect, in accordance with paragraph 84 of the Act and the Joint Administrators' appointment shall cease to have effect, and that the Joint Administrators be released at that time. The effect of this is that the company would eventually be dissolved without any formal liquidation
- 5 The Joint Administrators' Remuneration be fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration
6. In accordance with Statement of Insolvency Practice No 9 ("SIP 9"), issued by the Association of Business Recovery Professionals, the Joint Administrators be authorised to draw remuneration as and when funds are available
- 7 The Joint Administrators' Category 2 Disbursements (see below), be approved as follows:
 - i) Storage £40 per box plus VAT per year or part thereof.
 - ii) Destruction £3.50 per box plus VAT per year or part thereof.
- 8 The Joint Administrators be discharged from liability under paragraph 98(3) of Schedule B1 of the Act immediately upon their appointment as Joint Administrators ceasing to have effect
- 10 The Joint Administrators do all such things and generally exercise all their powers as Administrators as they in their discretion consider desirable or expedient in order to achieve the purpose of the administration or protect and preserve the assets of the company or maximise the realisations of those assets, or of any purpose incidental to these proposals

KRYOTRANS INTERNATIONAL LIMITED -

Report to Creditors and Statement of Joint Administrators' Proposals, pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 (as amended)

As indicated above, our pre-appointment costs limited to the sum of £10,000 plus VAT and disbursements remain unpaid. These costs are to be approved by the secured and preferential creditors. Approval of these pre-appointment costs will be dealt with as a separate resolution. Pre-appointment costs are not approved when the proposals are approved.

- 10 The Joint Administrators therefore propose that their pre-appointment costs in the sum of £10,000 plus VAT and disbursements be paid from realisations in the Administration, subject to sufficient funds being available

12. Approval of proposals

Since the company's financial position means it has insufficient assets to pay a dividend to unsecured creditors, we are not required to hold a meeting of creditors. Accordingly, we do not intend to do so.

However, creditors whose debts amount to at least 10% of the total debts of the company can require us to convene a meeting. Such a request must be made to us in form 2.21B within 8 business days from the date of these proposals. If creditors do not require us to convene a meeting of creditors within that time period, then our proposals will be deemed to be approved.

Deemed approval of the proposals will not result in our remuneration and pre-appointment costs being approved and we will still need to seek approval from the secured and preferential creditors as above.

13. Exit from Administration

All Administrations automatically come to an end after one year unless an extension is granted by the Court or the consent of creditors to the extension is obtained.

An Administrator is also able to consider other exit options, which include the following

- a) Place the company into a Company Voluntary Arrangement, where it appears that there may be a distribution to creditors
- b) Place the company into Creditor's Voluntary Liquidation, where it appears that there may be a distribution to creditors or ongoing investigations are required
- c) Send notice to the Registrar of Companies confirming that the company has no property which might permit a distribution to its creditors, which then triggers the dissolution of the company

If as expected, after payment of the preferential and secured creditors, no further funds are available for distribution to creditors, the Joint Administrators intend to send notice to the Registrar of Companies, the Court and the

KRYOTRANS INTERNATIONAL LIMITED -

Report to Creditors and Statement of Joint Administrators' Proposals, pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 (as amended)

creditors advising that the objective of the administration has been achieved and the company will be dissolved

14. Next Report

We are required to provide a progress report within one month of the end of the first six months of the Administration

15. Summary

Should there be insufficient monies available with which to make a distribution to the unsecured creditors, a notice will be issued to the Registrar of Companies and to the creditors for the Company to be dissolved

We will investigate the circumstances which led to the Company becoming insolvent and we will place the company into Liquidation if it transpires during the course of our investigations that there are matters or causes of action that can only be undertaken by a Liquidator

Should you have any further queries in relation to the contents of this report, or with regard to other matters arising, please do not hesitate to contact us.



John Dean Cullen FCCA FABRP

Licensed as an Insolvency Practitioner in the UK by the Association of Chartered Certified Accountants

Joint Administrator

The Joint Administrators manage the affairs, business and property of the company as agents and act without personal liability

KRYOTRANS INTERNATIONAL LIMITED -

Appendices

APPENDIX 1

COMPANY STATUTORY INFORMATION

KRYOTRANS INTERNATIONAL LIMITED -**Appendices**

Company Number	05640196
Date of Incorporation	30 November 2005
Name on Incorporation	Kryotrans International Limited
Date of change of name	N/A
Nature of Business	Packaging activities
 Nominal Share Capital	 323,975 Ordinary Shares of £0.01 each 87,500 Preference Shares (Redeemable) of £1 each
Issued Share Capital	323,975 Ordinary Shares 87,500 Preference Shares (Redeemable)

Shareholders	Shares held	
Stephen John Allen	26,535 00	£0.01 Ordinary Shares
Tim Anderson	2,671 00	£0.01 Ordinary Shares
Simon Brice	267.00	£0.01 Ordinary Shares
Alex Scott Barrett	6,766 00	£0.01 Ordinary Shares
Graham Clark	427 00	£0.01 Ordinary Shares
Jerzy Wojciech Czasznicki	26,535 00	£0.01 Ordinary Shares
Timothy James Goode	6,666.00	£0.01 Ordinary Shares
Stan Grierson	1,000 00	£0.01 Ordinary Shares
Leslie Julius Stephen Komaromy	44,129 00	£0.01 Ordinary Shares
Christopher Robert Krzak	66,133 00	£0.01 Ordinary Shares
Ralph Land	534 00	£0.01 Ordinary Shares
Alan Macdonald	13,334 00	£0.01 Ordinary Shares
David Maddox	1,068 00	£0.01 Ordinary Shares
Ocarina Investments Limited	2,671 00	£0.01 Ordinary Shares
Christopher Charles Pollard	66,133 00	£0.01 Ordinary Shares
Share Nominees Limited	5,342 00	£0.01 Ordinary Shares
Christine Soden	4,821 00	£0.01 Ordinary Shares
Just Arne Storvik	40,000 00	£0.01 Ordinary Shares
Richard Temple	5,382 00	£0.01 Ordinary Shares
Simon Troughton	3,561 00	£0.01 Ordinary Shares
 Stephen John Allen	 12,500 00	 £1 Preference Shares
Jerzy Wojciech Czasznicki	12,500 00	£1 Preference Shares
Timothy James Goode	12,500 00	£1 Preference Shares
Leslie Julius Stephen Komaromy	25,000 00	£1 Preference Shares
Alan Macdonald	25,000 00	£1 Preference Shares

KRYOTRANS INTERNATIONAL LIMITED -

Appendices

Directors in last three years	Appointed	Resigned
Christopher Robert Krzak	30/11/2005	To Date
Christopher Charles Pollard	03/04/2006	To Date
Leslie Julius Stephen Komaromy	05/01/2009	To Date
John Robert Charles Blowers	23/09/2008	To Date
Jerzy Wojciech Czasznicki	07/04/2006	17/09/2008
Stephen John Allen	07/04/2006	20/02/2008

Company Secretary

Jerzy Wojciech Czasznicki	01/11/2006	17/09/2008
Carol Anne Krzak	30/11/2005	01/11/2006

Registered Office

Kings Wharf, 20-30 Kings Road, Reading
Berkshire, RG1 3EX

Accountants

BDO LLP, Kings Wharf, 20-30 Kings Road,
Reading, Berkshire, RG1 3EX

Bankers

HSBC Bank plc, 26 Broad Street, Reading,
Berkshire, RG1 2BU

KRYOTRANS INTERNATIONAL LIMITED -

Appendices

APPENDIX 2
FINANCIAL INFORMATION

KRYOTRANS INTERNATIONAL LIMITED -

Appendices

ACCOUNTS

The following has been extracted from the accounts of the company -

Year Ended	31/10/2009	31/10/2008
Turnover	315,972	191,920
Gross Profit	229,215	133,782
Directors Remuneration	54,936	101,416
Profit/ (Loss)	(344,608)	474,250
Dividends	Nil	Nil
Retained Profit/ (Loss)	(344,608)	(474,250)
Profit & Loss Balance	(1,628,129)	(1,283,521)

TRADING RESULTS

The following has been extracted from the books and records of the company for the period -

Period ended	12/01/2011
Turnover	295,075
Gross Profit	219,815
Directors Remuneration	32,633 34
Profit/ (Loss)	(358,725)
Profit & Loss Balance	(1,986,854)

It should be noted that the management accounts have not been verified for accuracy and therefore may not reflect the company's true trading position.

KRYOTRANS INTERNATIONAL LIMITED -

Appendices

APPENDIX 3
STATEMENT OF AFFAIRS

STATEMENT OF AFFAIRS

Name of Company Kryotrans International Limited	Company Number 05640196
In the High Court of Justice Chancery Division, Bristol District Registry	Court case number 20 / 2011

Statement as to the affairs of

Kryotrans International Limited
Kings Wharf
20-30 Kings Road
Reading
Berkshire

on the 12 January 2011, the date that the company entered administration

Statement of Truth

I believe the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at 12 January 2011 the date that the company entered administration

Full Name

CHRISTOPHER CHARLES PILLARD

Signed



Dated

17/01/11

Kryotrans International Limited
Statement Of Affairs as at 12 January 2011

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge		
Goodwill	9,916 60	597 00
Property Rights/Patents	NIL	1 000 00
Assets subject to floating charge		
Furniture & Equipment	26,356 77	8,400 00
Tooling	14 536 92	20,000 00
Stock	118 654 00	10,000 00
Book Debts	4 681 25	4,681 25
Contracts		1 00
Customer Lists	NIL	1 00
Promotional Literature	NIL	1 00
VAT Refund	1 781 43	1 781 43
Cash at Bank	9 591 48	9,591 48
Uncharged assets		
Estimated total assets available for preferential creditors		54 457 16

Signature



Date

17/1/11

Kryotrans International Limited
Statement Of Affairs as at 12 January 2011

A1 - Summary of Liabilities

		Estimated to Realise £
Estimated total assets available for preferential creditors (Carried from Page A)		54,457 16
Liabilities		
Preferential Creditors -		
Employees Wage Arrears	1,965 37	1,965 37
Estimated deficiency/surplus as regards preferential creditors		52 491 79
Debts secured by floating charge pre 15 September 2003		
Other Pre 15 September 2003 Floating Charge Creditors		NIL
		52 491 79
Estimated prescribed part of net property where applicable (to carry forward)		13,498 36
Estimated total assets available for floating charge holders		38 893 43
Debts secured by floating charges post 15 September 2003		
Floating Charge Creditor	263 196 64	263,196 64
Estimated deficiency/surplus of assets after floating charges		(224,203 21)
Estimated prescribed part of net property where applicable (brought down)		13,498 36
Total assets available to unsecured creditors		13 498 36
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	129 043 93	
Employees	19 589 19	
Directors	260,763 09	
HM Revenue and Customs - PAYE & NIC	33,154 68	
Welsh Assembly Government Grant	55,180 00	
		497,730 89
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F C's post 14 September 2003)		(484,232 53)
Shortfall in respect of F C's post 14 September 2003 (brought down)		224 203 21
Estimated deficiency/surplus as regards creditors		(708 435 74)
Issued and called up capital		
Preference Shareholders	87,500 00	
Interest on Preference Share	22 312 50	
Ordinary Shareholders	323 975 00	
		433,787 50
Estimated total deficiency/surplus as regards members		(1,142,223 24)

Signature



Date

17/1/11

Harris Lipman LLP
Kryotrans International Limited
B - Company Creditors

Key	Name	Address	£
CB00	BT Conference Call Customer Accounts	PP M3042X, Colindale House, The Hyde, London, NW9 6LB	0 62
CB01	Budget Forktrucks Ltd	Larkwhistle, Kingsclere Road, Brimpton Common, Reading, RG7 4RT	235 47
CB02	Kevin Bayliss	26 John Morns Road, Abingdon, OX14 5HW	64 00
CB03	British Gas	Millstream, Maidenhead Road, Windsor, Berkshire, SL4 5GD	2,000 00
CC00	Charterst Developments Ltd	Little Herons, Riverview Road, Pangbourne, RG8 7AU	5,122 20
CD00	Richard Dudbridge	24 Cammarthen Close, Yate, South Glos, BS37 7RR	2,380 77
CE00	Eden Springs UK Ltd	Unit B, 3 Livingstone Boulevard, Hamilton International Technology Park, Blantyre, G72 0BP	0 00
CE01	Europa Worldwide Logistics	Europa House, 68 Hailey Road, Erith, Kent, DA18 4AU	1,127 32
CE02	Express Vending Ltd	Express House, 9 Station road, Dunstable, Bedfordshire, LU5 4HS	794 30
CF00	Fairweathers Chartered Surveyors Ltd	Unit 7 Chalfont Court, Chalfont Way, Earley, Reading, RG6 5SY	12,601 50
CF01	Ford Fabrications	14 Lawford Gate, Old Market, Bristol, BS2 0DY	94 00
CG00	Good Relations Ltd	Holborn Gate, 26 Southampton Buildings, London, WC2A 1PQ	1,762 50
CG01	Grundon Waste Managment Ltd	PO Box 132, Wallingford, OX10 6BY	175 66
CG02	General Capital Venture Finance Limited	The Oaks Kirby Road, Trowse, Norwich, Norfolk, NR14 8RS	263,196 64
CH00	Hanwell Instruments Ltd	Pendle House, Junilee Road, Letchworth, Herts, SG6 1SP	4,421 53
CH02	Haywood Rotomoulding Ltd	Green Grove Mill, Dyehouse Lane, Rochdale, OL16 2QN	12,810 85
CH03	HSBC Bank plc	PO Box 728, Camberley, Surrey, GU15 3WU	3,714 40
CI00	IQPC Ltd	Anchor House, 15-19 Britten Street, London, SW3 3QL	28,183 35
CK00	Lesie Komaromy	Rokeby, Tokers Green Lane, Tokers Green, Reading RG4 9EB	260,763 09
CL00	LRQA Ltd	Hiramford, Middlemarch Office Village, Siskin Drive, Coventry, CV3 4FJ	1,574 50
CM00	Manches LLP	Aldwych House, 81 Aldwych, London, WC2B 4RP	5,024 46
CM01	Maskrey Brown Ltd	Roselea, Home Farm Barns, Church Street, Sweptstone, Leicestershire, LE67 2SA	7,688 53
CM02	Marken Ltd	Waterway House, No 3 Brentwaters Business Park, The Ham, Brentford, Middlesex TW8 8HQ	10,338 81
CM03	MediWales Ltd	Schooner Way, Atlantic Wharf, Cardiff, CF10 4DZ	143 75
CN00	Nortons Corporate Finance Ltd	Highlands House, Basingstoke Road, Spencers Wood, Reading, RG7 1NT	1,762 50
CN01	Nestle Waters Powwow	4050 Chancellor Court, Oxford Business, Garsington Road, Oxford, Oxfordshire, OX4 2JY	69 53
CN02	Npower	Payment Processing Centre, PO Box 263, Leeds, LS14 9AN	2,500 00

Harris Lipman LLP
Kryotrans International Limited
B - Company Creditors

Key	Name	Address	£
CN03	Net Resources International	SPG Media Ltd, John Carpenter House, John Carpenter Street, London, EC4Y 0AN	4,641 25
CO01	Oxfordshire Bioscience Newtwork Ltd	Suite L, 11 Park House, Milton Park, Abingdon, Oxfordshire, OX14 4RS	3,124 89
CP00	Pamil Management Services Ltd	Heathrow Business Centre, 65 High Street, Egham, Surrey, TW20 9EY	243 23
CP01	Pre-X Capital Management Ltd	41 Lofbury, London, EC2R 7HG	3,725 06
CQ00	Q T R Transport Ltd	100 Cardiff Road, Reading, Berks, RG1 8HD	75 71
CQ01	Qwerty Ltd	21 The Markham Centre, Theale, Berks, RG7 4PE	575 76
CS00	Sigma-Aldrich	Accounts Dept, Fancy Road, Poole, Dorset, BH12 4QH	239 28
CS01	Solid Applications Ltd	Old Market Place, Market Street, Oldbury, West Midlands, B69 4DH	2,972 75
CS03	Siemens Financial Services Limited	Sefton Park, Bells Hill, Stoke Poges, Bucks, SL2 4JS	555 53
CS04	Samex Estates Limited	20/22 Richfield Avenue, Reading, Berkshire	2,000 00
CS05	Spiritel Mobile Ltd	Dobson Park Way, Ince, Wigan, Lancs, WN2 2DX	92 83
CS06	Samedan Ltd	16 Hampden, Gurney Street, London, W1H 5AL	1,725 00
CT00	Torfaen County Borough Council	Finance Dept, Civic Centre, Pontypool, Torfaen, NP4 6YB	940 00
CT01	Thames Water Utilities Ltd	PO Box 286, Swindon, SN38 2RA	120 00
CU00	Urquhart-Dykes & Lord LLP	Tower North Central, Mernon Way, Leeds, LS2 8PA	326 75
CU01	Unitemp Ltd	Unit 14 Treadaway Technical Centre, Treadaway Hill, Loudwater, High Wycombe, HP10 9RS	1,724 55
CV00	James Vann	70 Bois Lane, Amersham, Bucks, HP6 6BX	229 39
CV01	VNetworks Ltd	11 Evesham Street, London, W11 4AR	297 56
CW00	Weltonhurst Limited	Centuron Way, Roman Road Ind Est, Blackburn, Lancashire, BB1 2LD	766 34
CW01	West Berkshire Council	Market Street, Newbury, RG14 5LD	3,791 90
CW02	Welsh Assembly Government	Department for the Economy & Transport, Main Avenue, Treforest, Pontypnidd, CF37 5YR	55,180 00
CZ90	HM Revenue and Customs	Insolvency and Securities, DX 146828 EUSTON 8	0 00
CZ91	HM Revenue and Customs	Enforcement Office, DX 90957 WORTHING 3	0 00
CZ92	HM Revenue and Customs	Debt Management & Banking, 3rd Floor NW, Queens Dock, Liverpool, L74 4AA	0 00
CZ93	HM Revenue and Customs	Insolvency Claims Handling Unit Room BP3202, Warkworth House Benton Park View, Longbenton, Newcastle Upon Tyne, NE98 1ZZ	37,579 78
ED00	Mr Richard Dudbridge	24 Carmarthen Close, Yate, South Glos, BS37 7RR	12,280 00
EV00	Mr James Vann	70 Bois Lane, Amersham, Bucks, HP6 6BX	9,274 56
RB00	Mr John Robert Charles Blowers	Buxford Mill, Bucksford Lane, Great Chart, Kent, TN23 4TZ	0 00

Harris Lipman LLP
Kryotrans International Limited
B - Company Creditors

Key	Name	Address	£
RK00	Mr Christopher Robert Krzak	Little Herons, Riverview Road, Pangbourne, Reading, RG8 7AU	0 00
RK01	Mr Leslie Julius Stephen Komaromy	Rokeby, Tokers Green Lane, Tokers Green, Reading, RG4 9EB	0 00
RP00	Mr Christopher Charles Pollard	Beechcroft, Hotley Bottom Lane, Prestwood, Great Missenden, HP16 9PL	0 00
58 Entries Totalling			771,032 40

Kryotrans International Limited
C - Shareholders

Key	Name	Address	Pref	Ord	Other	Total
HA00	Stephen John Allen	Pentrelew, Mill Lane, Monks Risborough, Bucks, HP27 9LG	12,500	26,535	0	39,035
HA01	Tim Anderson	Four Winds, Green Lane, West Clandon, Nr Guildford, Surrey, GU4 7UP	0	2,671	0	2,671
HB00	Simon Brice	Inveramold, Avery Lane, Midstone, Kent, ME17 1TE	0	267	0	267
HB01	Alex Scott Barrett	The Old Rectory, Stutton, Ipswich, IP9 2SE	0	6,766	0	6,766
HC00	Graham Clark	54 Nottage Road, Newton, Swansea, SA3 4SU	0	427	0	427
HC01	Jerzy Wojciech Czażnicki	The Minstrels, 58 Green Lane, Burnham, Bucks, SL1 8EB	12,500	26,535	0	39,035
HG00	Timothy James Goode	Lacey House, Main Road, Lacey Green, Bucks, HP27 0RB	12,500	6,666	0	19,166
HG01	Stan Grierson	42 Highleigh Avenue, Flackwell Heath, Buckinghamshire, HP10 9AH	0	1,000	0	1,000
HK00	Leslie Julius Stephen Komaromy	Rokeby, Tokers Green Lane, Tockers Green, Reading, RG4 9EB	25,000	44,129	0	69,129
HK01	Christopher Robert Kzrak	Little Herons, Riverview Road, Pangbourne, Berks, RG8 7 AU	0	66,133	0	66,133
HL00	Ralph Land	27 Alder Lodge, London, SW6 6NP	0	534	0	534
HM00	Alan Macdonald	Oak Cottage, Littlefield Common, Worplesdon, Guildford, Surrey, GU3 3HH	25,000	13,334	0	38,334
HM01	David Maddox	38 Stumperlowe Crescent Road, Sheffield, S10 3PQ	0	1,068	0	1,068
HO00	Ocarina Investments Limited	PO Box 702, Centurion House, Beresford Street, St Helier, Jersey, JE4 0PG, Cha	0	2,671	0	2,671
HP00	Christopher Charles Pollard	Beechcroft, Holley Bottom, Buckinghamshire, HP16 9PL	0	66,133	0	66,133
HS00	Share Nominees Limited	Oxford House, Oxford Road, Aylesbury, Buckinghamshire, HP21 8SZ	0	5,342	0	5,342
HS01	Christne Soden	8 Ridge Way, Virginia Water, Surrey, GU25 4TS	0	4,821	0	4,821
HS02	Just Arne Storvik	12 Homestead Road, Orpington, Kent, BR6 6HW	0	40,000	0	40,000
HT00	Richard Temple	32 Ebury Bridge Road, London, SW1W 8PZ	0	5,382	0	5,382
HT01	Simon Troughton	Ropers House, Longparish, Andover, Hampshire, SP11 6QE	0	3,561	0	3,561
20 Entries Totalling						411,475

Signature _____

KRYOTRANS INTERNATIONAL LIMITED -

Appendices

APPENDIX 4

ABSTRACT OF RECEIPTS AND PAYMENTS

Kryotrans International Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 17/01/2011

S of A £		£	£
	GENERAL FIXED CHARGE		
597 00	Goodwill	597 00	
1,000 00	Property Rights/Patents	1,000 00	
			1,597 00
	ASSET REALISATIONS		
NIL	Property Rights/Patents	NIL	
8,400 00	Furniture & Equipment	8,400 00	
20,000 00	Tooling	20,000 00	
10,000 00	Stock	10,000 00	
4,681 25	Book Debts	NIL	
1 00	Contracts	1 00	
1 00	Customer Lists	1 00	
1 00	Promotional Literature	1 00	
1,781 43	VAT Refund	NIL	
9,591 48	Cash at Bank	NIL	
			38,403 00
	PREFERENTIAL CREDITORS		
(1,965 37)	Employees Wage Arrears	NIL	
			NIL
	FLOATING CHARGE CREDITORS		
(263,196 64)	Floating Charge Creditor	NIL	
			NIL
	UNSECURED CREDITORS		
(129,043 93)	Trade & Expense Creditors	NIL	
(19,589 19)	Employees	NIL	
(260,763 09)	Directors	NIL	
(33,154 68)	HM Revenue and Customs - PAYE &	NIL	
(55,180 00)	Welsh Assembly Government Grant	NIL	
			NIL
	DISTRIBUTIONS		
(87,500 00)	Preference Shareholders	NIL	
(22,312 50)	Interest on Preference Share	NIL	
(323,975 00)	Ordinary Shareholders	NIL	
			NIL
(1,140,626.24)			40,000.00
	REPRESENTED BY		
	Clarke Willmott Client Account		40,000 00
			40,000 00

John Dean Cullen FCCA FABRP
Joint Administrator

KRYOTRANS INTERNATIONAL LIMITED -

Appendices

APPENDIX 5
SCHEDULE OF TIME COSTS
AND
DISBURSEMENTS RECOVERY POLICY

KRYOTRANS INTERNATIONAL LIMITED

APPENDIX V

TIME CHARGE OUT SUMMARY FOR THE PERIOD ENDED 17 JANUARY 2011

Classification of work function	HOURS						Total Hours	Time Costs £	Average Hourly Rate £
	Partner	Senior Manager	Manager	Senior	Semi-Senior	Junior			
Admin and Planning	0 00	0 00	0 00	12 40	0 00	0 00	12 40	1,984 00	160 00
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Support	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	0 00	0 00	0 00	12 40	0 00	0 00	12 40		
Total Costs	0 00	0 00	0 00	1,984 00	0 00	0 00		1,984 00	
Total Fees claimed (£)	0 00	0 00	0 00	1,984 00	0 00	0 00		1,984 00	

CURRENT CHARGE OUT RATE OF INSOLVENCY TEAM MEMBERS

	£
Partner	265-480
Senior Manager	255
Manager	210
Senior	160
Semi-Senior	105
Junior	80
Support Staff	50-100

- Note 1 There may have been a number of promotions through the various grades during the period of the administration
- Note 2 It is the policy of this firm to account for secretarial staff as an overhead cost Overhead costs are reflected in the charge out rates detailed
- Note 3 The charge-out rate of the Insolvency Practitioner for this assignment is currently £265 per hour, and the administrator is £160 per hour

POST-APPOINTMENT DISBURSEMENTS RECOVERY POLICY

Category 1 Disbursements

Specific expenditure relating to the administration of insolvent estate and payable to an independent third party are recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 disbursements will generally comprise external 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 incurred by personnel in connection with the case.

All such disbursements such as statutory advertising, insurance of assets, search fees and specific penalty bonding have been paid from the estate and are shown on the enclosed summary of our receipts and payments.

Category 2 Disbursements

Expenditure incidental to the administration of the insolvent estate, which by its nature includes an element of shared or allocated cost are recoverable with creditor approval.

There has been no 'Category 2 Disbursements' made from the insolvent estate

Professional advisors have been selected on the basis that they have the appropriate experience and qualifications to effectively deal with the issues arising in a case of this nature. The solicitors have been instructed on a time costs basis, and the agents have been instructed on the basis that they receive a percentage of realisations plus disbursements

All disbursements are shown as net of VAT. As the company was registered for VAT purposes VAT can be recovered for the benefit of the insolvent estate

KRYOTRANS INTERNATIONAL LIMITED -

Appendices

APPENDIX 6

SCHEDULE OF PRE-APPOINTMENT TIME COSTS

AND

PRE APPOINTMENT DISBURSEMENTS RECOVERY POLICY

KRYOTRANS INTERNATIONAL LIMITED

APPENDIX VI

TIME CHARGE OUT SUMMARY FOR THE PERIOD ENDED 12 JANUARY 2011

HOURS

Classification of work function	HOURS						Total Hours	Time Costs £	Average Hourly Rate £
	Partner	Senior Manager	Manager	Senior	Semi-Senior	Junior			
Admin. and Planning	4 20	0 00	0 00	29 70	0 30	0 50	34 70	5,809 00	167 41
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	24 20	0 00	0 00	21 50	0 00	0 00	45 70	9,725 00	212 80
Creditors	1 00	0 00	0 00	0 20	0 00	0 00	1 20	287 00	239 17
Support	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	29 40	0 00	0 00	51 40	0 30	0 50	81 60		
Total Costs	7,790 50	0 00	0 00	7,959 00	31 50	40 00		15,821 00	
Total Fees claimed (£)	4,924 15	0 00	0 00	5,030 66	19 91	25 28		10,000 00	

CURRENT CHARGE OUT RATE OF INSOLVENCY TEAM MEMBERS

	£
Partner	265-480
Senior Manager	255
Manager	210
Senior	160
Semi-Senior	105
Junior	80
Support Staff	50-100

- Note 1 There may have been a number of promotions through the various grades during the period of the administration
Note 2 It is the policy of this firm to account for secretarial staff as an overhead cost Overhead costs are reflected in the charge out rates detailed
Note 3 The charge-out rate of the Insolvency Practitioner for this assignment is currently £265 per hour, and the administrator is £160 per hour

PRE-APPOINTMENT DISBURSEMENTS RECOVERY POLICY

Category 1 Disbursements

Specific expenditure relating to the administration of insolvent estate and payable to an independent third party are recoverable without creditor approval. Such expenditure is made if funds are available from the insolvent estate. If funds are not available then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 disbursements will generally comprise external 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 incurred by personnel in connection with the case.

All such disbursements such as statutory advertising, insurance of assets, search fees and specific penalty bonding will be paid initially by Harris Lipman LLP and will be recharged through the estate as and when funds are available.

Category 2 Disbursements

Expenditure incidental to the administration of the insolvent estate, which by its nature includes an element of shared or allocated cost are recoverable with creditor approval.

Payments in respect of the above are defined as 'Category 2 Disbursements'. These charges are generally in respect of storage at £40 per box per annum or part thereof and destruction at £3.50 per box, plus VAT, in respect of company records stored.

These records are usually destroyed one year after dissolution of the company and the creditors will be asked to approve resolutions for both category 2 disbursements and the destruction of the books and records at the appropriate time.