



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 5 7 6 2 9 3 4

Company name in full Addition Manufacturing Technologies U.K. Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Sarah

Surname Bell

### 3 Administrator's address

Building name/number Duff & Phelps Ltd

Street The Chancery

58 Spring Gardens

Post town Manchester

County/Region Greater Manchester

Postcode M 2 1 E W

Country England

### 4 Administrator's name ①

Full forename(s) Steven

Surname Muncaster

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number Duff & Phelps Ltd

Street The Chancery

58 Spring Gardens

Post town Manchester

County/Region Greater Manchester

Postcode M 2 1 E W

Country England

#### 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 | <sup>d</sup> 2 | <sup>d</sup> 3 | <sup>m</sup> 0 | <sup>m</sup> 6 | <sup>y</sup> 2 | <sup>y</sup> 0 | <sup>y</sup> 2 | <sup>y</sup> 0 |
| To date   | <sup>d</sup> 2 | <sup>d</sup> 2 | <sup>m</sup> 1 | <sup>m</sup> 2 | <sup>y</sup> 2 | <sup>y</sup> 0 | <sup>y</sup> 2 | <sup>y</sup> 0 |

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X

*James J. Zell*

X

Signature date

|                |                |                |                |                |                |                |                |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <sup>d</sup> 1 | <sup>d</sup> 8 | <sup>m</sup> 0 | <sup>m</sup> 1 | <sup>y</sup> 2 | <sup>y</sup> 0 | <sup>y</sup> 2 | <sup>y</sup> 1 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

**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 Daniel Ryan

Company name Duff & Phelps Ltd

Address The Chancery

58 Spring Gardens

Post town Manchester

County/Region Greater Manchester

Postcode

M

2

1

E

W

Country

England

DX

Telephone

0161 827 9178

**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.

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# Progress Report to Creditors

**Addition Manufacturing  
Technologies U.K. Limited  
(In Administration)**

18 January 2021

*Joint Administrators' Progress Report to Creditors  
For the period from to 23 June 2020 to 22 December 2020*

Duff & Phelps Ltd.  
The Chancery  
58 Spring Gardens  
Manchester  
M2 1EW

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## **1. Introduction**

The Joint Administrators were appointed on 23 December 2019 by the Directors by an order in the High Court of Justice in Manchester, Business & Property Court number 1348 of 2019.

This Progress Report provides an update on the Administration of the Company. It should be read in conjunction with the Joint Administrators' Previous Progress Report and the Proposals.

The Joint Administrators have also explained their future strategy for the Administration and how likely it is that they will be able to pay each class of Creditor.

You will find other important information in this Progress Report such as the costs the Joint Administrators have incurred.

The Joint Administrators requested that the period of Administration be extended by 12 months to 22 December 2021 for the reasons set out in section 7.1. This extension request was approved by the Secured Creditors on 29 November 2020.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

Please also note that an important legal notice about this Progress Report to Creditors is attached at Appendix 9.

## **2. Creditor summary**

This Progress Report covers the six-month period from 23 June 2020 to 22 December 2020.

### **Summary of Proposals**

A summary of the Proposals is included at Appendix 2. A copy of the Statement of Proposals is available on the Duff & Phelps website at <http://www.duffandphelps.com/ukrestructuring>.

As detailed in the Proposals and the Previous Progress Report, the first objective will not be achieved as there are insufficient funds and assets available to enable the Company to be rescued as a going concern.

The Joint Administrators have achieved the second objective as a sale of part of the Company's business and assets was completed on a going concern basis which has resulted in a better result for the Company's creditors as a whole than would have been possible if the Company were wound up without first being in Administration. Further information is provided in Section 3 of this report.

The Joint Administrators have also achieved the third objective as distributions have been made to Huntington as holders of a fixed and floating charge over the Company's assets.

A statutory purpose of the Administration has therefore been achieved.

### **Progress to date**

As previously reported, the Joint Administrators traded the Company in Administration with a view to pursuing a going concern sale of the Company's business and assets. Part of the business and assets of the Company were sold to the Purchaser on 21 May 2020.

In the Reporting Period the Joint Administrators have continued to collect the remainder of the sale consideration due. The first three instalments, totalling £24,000, were received during the Reporting Period, however the final two were received after the end of the Reporting Period and so these are not reflected in this Report.

Furthermore, the Joint Administrators have continued to finalise and meet any outstanding trading costs incurred prior to the Reporting Period and have continued to collect revenue due from this period.

The Joint Administrators have continued with the collection of book debts, recovering £74,762 over the course of the Reporting Period. The collection of book debts is ongoing, and a further update will be provided in the next report to creditors.

The Joint Administrators are continuing with finalising realisations of the Company's assets. A detailed update on the ongoing asset realisation process is provided at Section 3.

### **Outcome for Creditors**

Huntington hold a debenture from the Company, which confers fixed and floating charges over all of the assets of the Company dated March 2015. It is estimated that Huntington was owed approximately £3.3 million across the global group. While it is anticipated that there will be insufficient realisations to facilitate repayment to Huntington in full, the Joint Administrators have been able to distribute £225,000 to Huntington to date. It is anticipated that there will be a third and final distribution to Huntington under its floating charge. The quantum of this final distribution will be subject to the total asset realisations and the costs of the Administration.

Redcoat holds fixed and floating charges over all of the assets of the Company dated July 2017. The Joint Administrators have made enquiries to establish the indebtedness of Redcoat as at the Appointment Date, however this remains unknown. At this stage it is unlikely that there will be sufficient realisations to make a distribution to Redcoat from the Administration.

As the sale agreement only included part of the business, ten employees were made redundant at the transaction date. The Joint Administrators arranged for these employees to make claims with the Redundancy Payments Service however, however, as the Joint Administrators had paid their arrears of wages and holiday pay as an expense of the Administration, it is not anticipated that there will be any Preferential Creditor claims in the Administration.

According to the Company's books and records, Unsecured Creditors totalled £1,853,911 as at the Appointment Date. It is currently anticipated that there will be insufficient realisations to enable a distribution to Unsecured Creditors, other than by virtue of the Prescribed Part, if any.

## **3. Progress of the Administration**

This section provides an update on the Joint Administrators' strategy for the Administration and progress to date.

### **3.1 Strategy and progress to date**

Please refer to the Proposals and the Previous Progress Report for further information on the background of the Company and a detailed explanation of the Joint Administrators' strategy for the Administration.

### **3.2 Administration Trading Period**

In the Reporting Period the Joint Administrators have continued to finalise costs of the Administration trading period and continue to collect revenue due from this period. A separate trading Receipts and Payments account is shown at Appendix 3. It should be noted that this account is shown on a cash accounting basis.

It is anticipated that future collections will continue to reduce the overall trading loss however, the Joint Administrators maintain that, whilst an overall trading deficit is expected, the overall position in the Administration has been improved due to the continuation of the business and the ability for the Purchaser to continue to collect the outstanding book debts.

### **3.3 Asset realisations**

Realisations during the period are set out in the attached Receipts and Payments account at Appendix 3.

Please refer to the Proposals and the Previous Progress Report for a detailed review of asset realisations in the previous period.

Summaries of the most significant realisations during the Reporting Period are provided overleaf.

### **3.3.1 Sale of Business**

The Joint Administrators completed a sale of part of the business and assets of the Company to the Purchaser on 21 May 2020. Further details of this sale can be found in the Previous Progress Report.

The consideration was set at £80,000, £40,000 of which was paid on the date of completion, which was to be followed by five consecutive instalments of £8,000 to be paid monthly, with the first falling due on 21 June 2020.

All instalments of the deferred consideration have now been received, however only £24,000 was received during the Reporting Period, with the remaining two instalments, amounting to £16,000, being received soon after the end of the Reporting Period. As such, only the three instalments received in the Reporting Period are reflected in the Receipts and Payments account at Appendix 3, where they are represented as Stock.

No further realisations are expected in this regard.

### **3.3.2 Book Debts**

As at the Appointment Date, the outstanding book debts totalled in excess of £3 million, however a significant portion of this related to intra-group balances and, due to the insolvency of the wider group and contra claims, these are not expected to be recovered.

The ledger continues to be collected. During the Reporting Period, debtor collections amounted to £74,762, bringing the total collected from the ledger over the course of the Administration to £273,301.

### **3.3.3 Other assets**

Realisations of all other assets were finalised in the previous reporting period. Please refer to the relevant Progress Report for details on these matters.

The Joint Administrators are not aware of any further assets of the Company.

## **3.4 Costs**

Payments made in the Reporting Period are set out in the attached receipts and payments account at Appendix 3.

Summaries of the most significant payments during the Reporting Period are provided below:

### **3.4.1 Trading expenditure**

The Joint Administrators ceased trading the business on 21 May 2020, however further trading costs were paid in the Reporting Period that were incurred in the trading period.

Trading expenditure paid in the Reporting Period totalled £57,327. Other direct costs incurred in the period totalled £123,227. A breakdown of both trading expenditure and direct costs can be seen in the Receipts and Payments account at Appendix 3.



### **3.4.2 Solicitors' fees**

Legal fees of £45,209 were incurred in the previous reporting period in relation to assistance provided in dealing with the sale of business and assets of the Company and other ad hoc legal matters.

The solicitors offset their fees against the initial sale consideration and whilst these costs were finalised during the Reporting Period, they related to a transaction executed prior to this period. As such, these fees have been reflected in the Receipts and Payments account at Appendix 3 as having been paid outside of the Reporting Period.

The Joint Administrators have not incurred any further legal fees during the Reporting Period.

### **3.4.3 Insurance**

The Joint Administrators incurred agents' insurance costs of £1,302 in respect of insurance cover for the Company's assets.

No further costs are expected to be incurred in this regard.

### **3.4.4 Agents' fees**

The Joint Administrators incurred agents' fees of £500 are in relation to ad hoc advice in respect of the offers received for the Company's assets during the previous reporting period.

### **3.4.5 Other costs**

Other costs, including the Joint Administrators' fees and expenses and pre-Administration costs, are detailed later in this report (see section 6).

The remaining costs are self-explanatory.

A further reconciliation shall be provided in the next report to creditors.

## **3.5 Schedule of expenses**

The Joint Administrators have detailed the costs incurred during the Reporting Period, whether paid or unpaid, in the schedule of expenses attached at Appendix 4.

## **4. Outcome for Creditors**

### **4.1 Secured Creditors**

#### **4.1.1 Huntington National Bank**

In consideration for monies advanced under a loan facility, the Company granted a debenture to Huntington, which confers fixed and floating charges over all of the assets of the Company dated March 2015. The debenture was cross guaranteed across the global Addition Manufacturing Group.

It is understood that Huntington is owed approximately £3.3 million across the global group.

The Joint Administrators made two distributions to Huntington in the previous reporting period, totalling £225,000.

It is anticipated that there will be a third and final distribution to Huntington under its floating charge. The quantum of this final distribution will be subject to the total asset realisations and the costs of the Administration.

#### 4.1.2 Redcoat LLC

In consideration of monies advanced, the Company granted a debenture to Redcoat, which confers fixed and floating charges over all of the assets of the Company dated July 2017. The debenture is cross guaranteed across the Addition Manufacturing Group.

The Joint Administrators have made enquiries to establish the indebtedness of Redcoat. It has been determined that there will be insufficient realisations to enable a distribution to Redcoat.

#### 4.2 Preferential Creditors

The Company had thirty-two employees at the Appointment Date. At the point of sale, eighteen employees had their contracts adopted by the purchaser, with the ten remaining employees being made redundant due to the exclusion of parts of the business from the sale. All employees were paid up to date. The remaining four employees found alternative jobs and left employment during the trading period.

The Joint Administrators facilitated the employees in claiming statutory redundancy pay from the RPS. Further assistance was provided to an employee who represented the Company in Slovakia in having their case progressed under local redundancy regulation.

The RPS have submitted a claim in the Administration, however, as the Joint Administrators had met the employees' arrears of wages and holiday pay costs as an expense of the Administration, it is not anticipated that there will be any Preferential Creditor claims in the Administration.

#### 4.3 Unsecured Creditors

According to the Company's records and claims issued by HMRC and the RPS, the Unsecured Creditors totalled £1,885,758. A summary of creditor claims is provided below:

| Unsecured Creditors       | Total (£)        |
|---------------------------|------------------|
| Trade & Expense Creditors | 264,791          |
| Intra Group Creditors     | 1,492,757        |
| HMRC                      | 96,363           |
| RPS                       | 31,847           |
| <b>Total</b>              | <b>1,885,758</b> |

It is anticipated that there will be insufficient realisations to enable a distribution to Unsecured Creditors other than by virtue of the Prescribed Part, if any. This, however, is contingent on the level of realisations achieved from the sale of the Company's assets, the costs of the Administration, and the value of any Preferential Creditor claims (should any arise).

#### 4.4 Prescribed part

The Prescribed Part is calculated as a percentage of net property, as follows:-

|                                    |   |
|------------------------------------|---|
| Net property less than £10,000:    | 50% unless the Joint Administrator considers that the costs of making a distribution to the Unsecured Creditors would be disproportionate to the benefits |
| Net property greater than £10,000: | 50% up to £10,000 plus 20% thereafter to a maximum of £600,000.   |

The Company granted a qualifying floating charge to Huntington in March 2015, and the provisions of the Prescribed Part will therefore apply.

The quantum and timing of any Prescribed Part distribution is not yet known and is subject to the level of realisations achieved, the level of preferential claims received (if any) and the costs of the Administration. A further update will be communicated to Creditors in due course.

## **5. Other matters**

### **5.1 Creditors' Committee**

A creditor's committee has not been established as the Joint Administrators received insufficient nominations.

### **5.2 Joint Administrators' Receipts and Payments account**

A detailed Receipts and Payments account for the Reporting Period is shown in Appendix 3, together with a cumulative account for the whole of the Administration.

### **5.3 Statement of Creditors' rights**

Further information regarding the remuneration and disbursements of the Joint Administrators, including Creditors' rights to challenge such costs is provided at Appendix 9.

## **6. Joint Administrators' fees and expenses and pre-Administration costs**

### **6.1 Fees and expenses**

#### **6.1.1 Time costs**

Time has been charged in six-minute units. Details of the time charged for the Reporting Period are attached at Appendix 5.

Time costs incurred in the reporting period total £43,409, which represents 139 hours at an average hourly rate of £313.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

Time costs incurred in the Administration as a whole total £186,580, which represents 598 hours at an average hourly rate of £312.

#### **6.1.2 Fees**

The Joint Administrators proposed a fee cap of £175,400, which was approved by the Secured Creditors on 24 September 2020. Although time costs have exceeded the fee estimate, the Joint Administrators will not draw fees over and above the agreed fee estimates without further approval from the relevant bodies of creditors.

No remuneration was drawn during the Reporting Period.

#### **6.1.3 Expenses and disbursements**

Details of the expenses charged for the reporting period are attached at Appendix 4.

#### **6.1.4 Additional information**

Also attached at Appendix 6 is a narrative summary of the work carried out to assist Creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to Creditors.

Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is set out in Appendix 7.

#### **6.2 Pre-Administration costs**

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Company entered Administration but with a view to it doing so. A detailed breakdown of these costs was provided in the Previous Progress Report.

The Joint Administrators confirm that payment of the unpaid pre-Administration costs, as an expense of the Administration, is subject to approval under Rule 3.52 of the Rules and was therefore subject to approval under Paragraph 53, Schedule B1 of the Act.

Approval of pre-Administration costs was sought from the Secured Creditors. As noted above, approval was received on 24 September 2020.

In the Reporting Period, the Agents' pre-Administration costs of £4,850 plus expenses of £108 have been paid, as shown at Appendix 3.

Duff & Phelps' and the Solicitors' pre-Administration costs are still to be drawn.

### **7. Future strategy**

#### **7.1 Future conduct of the Administration**

The Joint Administrators will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to:

- Finalise the collection of the book debts;
- Finalise tax matters with HMRC;
- Settle all outstanding costs of the Administration;
- Complete all other statutory matters prior to finalising the Administration;
- Pay a dividend to the Unsecured Creditors by way of the Prescribed Part;
- Undertake a final distribution to Huntington under their security.

#### **7.2 Extension of the Administration**

An Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the Creditors' consent.

The Joint Administrators requested that the period of Administration be extended by 12 months to 22 December 2021 for the reasons set out above in section 7.1.

This was granted by the Secured Creditors on 29 November 2020.

### **7.3 Future reporting**

The Joint Administrators will provide a further progress report within one month of every six months or earlier if the Administration has been completed prior to that time.

If you require further information or assistance, please do not hesitate to contact Daniel Ryan of this office.



**Sarah Bell**  
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Sarah Bell and Steven Muncaster, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners' Association.

## Appendix 1 – Statutory information

### COMPANY INFORMATION

|                                 |  |   |
|---------------------------------|--|---|
| <b>Company and trading name</b> | Addition Manufacturing Technologies U.K. Limited   |   |
| <b>Date of incorporation</b>    | 30 March 2006  |   |
| <b>Registered Number</b>        | 05762934   |   |
| <b>Company Director(s)</b>      | Philip Thomas Aspinall<br>Charles Gonzales   |   |
| <b>Trading address</b>          | 187-188 Bradkirk Place<br>Walton Summit Centre<br>Bamber Bridge<br>Preston<br>PR5 8AJ    |   |
| <b>Registered office</b>        | <b>Current:</b><br>Duff & Phelps Ltd.<br>The Chancery<br>58 Spring Gardens<br>Manchester | <b>Former:</b><br>188 Bradkirk Place<br>Walton Summit Centre<br>Bamber Bridge<br>Preston<br>PR5 8AJ |

### ADMINISTRATION INFORMATION

|   |   |  |
|---|---|--|
| <b>Administration Appointment</b>         | The Administration appointment granted in the High Court of Justice in Manchester, Business and Property Courts, Number 1348 of 2019                        |  |
| <b>Appointor</b>                          | Company Directors   |  |
| <b>Date of Appointment</b>                | 23 December 2019  |  |
| <b>Joint Administrators</b>               | Sarah Bell<br>Steven Muncaster  |  |
| <b>Original purpose</b>                   | To achieve a better result for the Company's creditors as a whole than would have been likely if it were wound up without first being in Administration     |  |
| <b>Functions</b>                          | The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1           |  |
| <b>Current Administration expiry date</b> | 22 December 2021  |  |
| <b>Prescribed part</b>                    | The Prescribed Part is applicable in this case. It has been taken into account when determining the dividend prospects for unsecured creditors (Section 7). |  |
| <b>Application of EC Regulations</b>      | EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.                                      |  |

## Appendix 2 – Approved Proposals

The Joint Administrators proposed the following:

- To continue to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect;
- To do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion, consider desirable or expedient in order to achieve the purpose of the Administration;
- To investigate and, if appropriate, pursue any claims the Company may have for the benefit of the Company's creditors; and
- To seek an extension to the Administration period if considered necessary;
- To make distributions to the Secured Creditors where funds allow;
- To make distributions to the unsecured creditors from the prescribed part, where applicable;
- To make further distributions to the unsecured creditors over and above the prescribed part, if funds become available and apply to court for authority to do so, where applicable;
- That the Joint Administrators might use any or a combination of the following exit route strategies in order to bring the Administration to an end:
  - Apply to Court for the Administration order to cease to have effect from a specified time and for the return of control to the Directors;
  - Place the Company into Creditors' Voluntary Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Sarah Bell and Steven Muncaster of Duff & Phelps, would act as Joint Liquidators should the Company be placed into Creditors' Voluntary Liquidation. The creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these Proposals. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
  - Petition the Court for a winding-up order placing the Company into Compulsory Liquidation if deemed appropriate. It is proposed that the Joint Administrators, currently Sarah Bell and Steven Muncaster of Duff & Phelps, would act as Joint Liquidators should the Company be placed into Compulsory Liquidation without further recourse to creditors. Any action required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them;
  - Take the necessary steps to give notice of move from Administration to dissolution with the Registrar of Companies, if the Joint Administrators consider that Liquidation is not appropriate because (1) the Company has no remaining property which might permit a distribution to its creditors, and (2) all outstanding matters have been satisfactorily completed.

Alternatively, the Joint Administrators may allow the Administration to end automatically.

The Joint Administrators also sought specific agreement to the following Proposals from the Secured Creditor, which do not form part of these Proposals:

- That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.

- That the Joint Administrators' Fee Estimate in the total sum of £175,400, is approved;
- That the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), which have been charged in accordance with Duff & Phelps policy;
- That the unpaid pre-Administration costs totalling £44,734.19, as detailed in the Joint Administrators' statement of pre-Administration costs, is approved for payment as an expense of the Administration.
- That the Joint Administrators be discharged from all liability in respect of any actions as Joint Administrators upon filing their final receipts and payments account with the Registrar of Companies or their appointment otherwise ceasing;
- Where a Creditors' Committee is formed, the Joint Administrators will seek to obtain approval from the Creditors' Committee



### **Appendix 3 – Receipts and Payments account**

**Addition Manufacturing Technologies U.K. Limited**  
**(In Administration)**  
**Joint Administrators' Trading Account**

| Statement<br>of Affairs<br>£     | From 23/06/2020<br>To 22/12/2020<br>£ | From 23/12/2019<br>To 22/12/2020<br>£ |
|----------------------------------|---------------------------------------|---------------------------------------|
| POST APPOINTMENT SALES           |                                       |                                       |
| Sales                            | 23,166.93                             | 243,885.26                            |
| COVID-19 Government Grants       | 40,656.01                             | 91,037.85                             |
|                                  | 63,822.94                             | 334,923.11                            |
| PURCHASES                        |                                       |                                       |
| Direct Materials                 | NIL                                   | 31,878.01                             |
|                                  | NIL                                   | (31,878.01)                           |
| OTHER DIRECT COSTS               |                                       |                                       |
| Packaging Materials              | NIL                                   | 2,020.85                              |
| Direct Labour                    | NIL                                   | 301,482.71                            |
| Staff Benefit Schemes            | 67,731.10                             | 77,475.57                             |
| PAYE/NIC                         | 55,495.59                             | 55,495.59                             |
|                                  | (123,226.69)                          | (436,474.72)                          |
| TRADING EXPENDITURE              |                                       |                                       |
| Employee Expenses                | NIL                                   | 19,562.07                             |
| Heat & Light                     | 3,114.34                              | 8,812.59                              |
| Telephone                        | 402.66                                | 4,413.46                              |
| Carriage                         | 2,929.53                              | 5,749.70                              |
| Insurance                        | 7,772.05                              | 7,772.05                              |
| Professional Fees                | 300.00                                | 300.00                                |
| Lease/HP Payments                | 41,896.62                             | 43,077.37                             |
| Repairs & Maintenance            | 41.00                                 | 4,099.25                              |
| Sundry Expenses                  | NIL                                   | 59.40                                 |
| Ransom Creditor Payments         | NIL                                   | 1,803.65                              |
| Foreign Payroll Costs            | 548.80                                | 1,620.44                              |
| Waste Management                 | NIL                                   | 296.38                                |
| Payroll Services                 | 322.00                                | 1,048.00                              |
|                                  | (57,327.00)                           | (98,614.36)                           |
| <b>TRADING SURPLUS/(DEFICIT)</b> | <b>(116,730.75)</b>                   | <b>(232,043.98)</b>                   |

**Addition Manufacturing Technologies U.K. Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

| Statement<br>of Affairs<br>£            | From 23/06/2020<br>To 22/12/2020<br>£ | From 23/12/2019<br>To 22/12/2020<br>£ |
|---|---------------------------------------|---------------------------------------|
| ASSET REALISATIONS                      |                                       |                                       |
| Bank Interest Gross                     | NIL                                   | 149.11                                |
| Cash at Bank                            | NIL                                   | 317,954.56                            |
| Debtors                                 | 74,762.12                             | 273,301.27                            |
| Equipment and Machinery                 | NIL                                   | 11,000.00                             |
| Funds due to Purchaser (rec'd in Error) | 4,698.89                              | 4,698.89                              |
| Goodwill/Contracts/IP/Systems           | NIL                                   | 4.00                                  |
| Insurance Refund                        | NIL                                   | 542.01                                |
| Licence to Occupy Fee                   | 59,782.80                             | 70,652.40                             |
| Rates Refund                            | NIL                                   | 3,092.98                              |
| Stock                                   | 24,000.00                             | 52,996.00                             |
| Trading Surplus/(Deficit)               | (116,730.75)                          | (232,043.98)                          |
|   | 46,513.06                             | 502,347.24                            |
| COST OF REALISATIONS                    |                                       |                                       |
| Agents disbursements pre insolvency     | 107.59                                | 107.59                                |
| Agents fees pre insolvency              | 4,850.00                              | 4,850.00                              |
| Agents/Valuers Fees                     | 500.00                                | 500.00                                |
| Bank Charges                            | 75.00                                 | 372.00                                |
| Insurance of Assets                     | 1,301.58                              | 1,301.58                              |
| Legal Disbursements                     | NIL                                   | 18.00                                 |
| Legal Fees                              | NIL                                   | 45,209.05                             |
| Statutory Advertising                   | 87.48                                 | 87.48                                 |
|   | (6,921.65)                            | (52,445.70)                           |
| PREFERENTIAL CREDITORS                  |                                       |                                       |
| Employee Arrears/Hol Pay                | 4,774.99                              | 4,774.99                              |
|   | (4,774.99)                            | (4,774.99)                            |
| FLOATING CHARGE CREDITORS               |                                       |                                       |
| The Huntington National Bank            | NIL                                   | 225,000.00                            |
|   | NIL                                   | (225,000.00)                          |
|   | <b>34,816.42</b>                      | <b>220,126.55</b>                     |
| REPRESENTED BY                          |                                       |                                       |
| Floating/main current account           |                                       | 200,817.88                            |
| VAT payable                             |                                       | (11,755.48)                           |
| VAT Receivable                          |                                       | 31,064.15                             |
|   |                                       | <b>220,126.55</b>                     |

#### Appendix 4 – Schedule of expenses

A summary of expenses incurred during the period of this report is set out below:

| <b>Schedule of Expenses</b> | <b>Incurred in the prior period but not accrued for (£)</b> | <b>Incurred and paid in the period (£)</b> | <b>Incurred in the period and not yet paid (£)</b> |
|-----------------------------|---|--|--|
| <b>Expenses</b>             |   |  |  |
| Legal Fees                  | 45,209.00   | 0.00                                       | 0.00   |
| Legal Disbursements         | 18.00   | 0.00                                       | 0.00   |
| Agents' Fees                | 0.00  | 500.00                                     | 0.00   |
| Insurance of Assets         | 0.00  | 1,320                                      | 0.00   |
| Bank Charges                | 0.00  | 75.00                                      | 0.00   |
| Statutory Advertising       | 87.48   | 0.00                                       | 0.00   |
| <b>Total</b>                | <b>0.00</b>   | <b>5,137</b>                               | <b>0.00</b>  |

The Joint Administrators choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and basis of their fee.

The above costs exclude VAT.

## **Appendix 5 – Analysis of time charged**

Refer to the table overleaf for a detailed breakdown on the Joint Administrators' time and cost summary in accordance with SIP 9.

**109933 ADDITION MANUFACTURING TECHNOLOGIES UK LIMITED**

**ANALYSIS OF TIME COSTS FOR THE PERIOD 23/06/2020 to 22/12/2020**

ADM-Admin. - Post Appt.

| Classification of Work Function                  | Hours             |                 |                  |                  |             | Total Hours   | Time Cost £      | Avg Hourly Rate £ |
|--|-------------------|-----------------|------------------|------------------|-------------|---------------|------------------|-------------------|
|  | Managing Director | Manager         | Senior           | Assistant        | Support     |               |                  |                   |
| <b>Administration and Planning</b>               |                   |                 |                  |                  |             |               |                  |                   |
| Case review & Case Diary management              | 1.00              | 0.00            | 1.85             | 0.55             | 0.00        | 3.40          | 1,476.00         | 434.12            |
| Cashiering & accounting                          | 3.00              | 7.00            | 4.20             | 25.40            | 0.00        | 39.60         | 11,997.00        | 302.95            |
| Insurance  | 0.00              | 0.00            | 0.45             | 0.25             | 0.00        | 0.70          | 223.00           | 318.57            |
| Statutory matters (Meetings & Reports & Notices) | 4.40              | 0.00            | 3.10             | 15.00            | 0.00        | 22.50         | 6,919.00         | 307.51            |
| Strategy planning & control                      | 0.00              | 0.00            | 16.25            | 1.00             | 0.00        | 17.25         | 6,527.50         | 378.41            |
| Tax Compliance / Planning                        | 1.00              | 0.00            | 0.60             | 7.75             | 0.00        | 9.35          | 2,356.50         | 252.03            |
| <b>Creditors</b>                                 |                   |                 |                  |                  |             |               |                  |                   |
| Communications with Creditors / Employees        | 0.75              | 0.00            | 1.10             | 19.60            | 0.00        | 21.45         | 4,640.50         | 216.34            |
| Non Pref Creditors / Employee claims handling    | 0.00              | 0.00            | 0.50             | 4.60             | 0.00        | 5.10          | 1,069.00         | 209.61            |
| Secured Creditors                                | 0.00              | 0.00            | 4.85             | 0.50             | 0.00        | 5.35          | 1,966.50         | 367.57            |
| <b>Realisation of Assets</b>                     |                   |                 |                  |                  |             |               |                  |                   |
| Book debts                                       | 0.00              | 0.00            | 0.35             | 0.00             | 0.00        | 0.35          | 136.50           | 390.00            |
| Freehold and Leasehold Property                  | 0.00              | 0.00            | 4.85             | 0.00             | 0.00        | 4.85          | 1,891.50         | 390.00            |
| Other Tangible Assets                            | 0.00              | 0.00            | 0.00             | 0.55             | 0.00        | 0.55          | 104.50           | 190.00            |
| <b>Trading</b>                                   |                   |                 |                  |                  |             |               |                  |                   |
| Trading - Accounting                             | 0.50              | 0.00            | 1.85             | 0.00             | 0.00        | 2.35          | 1,046.50         | 445.32            |
| Trading - Employees                              | 0.00              | 0.00            | 0.35             | 0.00             | 0.00        | 0.35          | 136.50           | 390.00            |
| Trading - Operations                             | 2.90              | 0.00            | 2.65             | 0.00             | 0.00        | 5.55          | 2,918.50         | 525.86            |
| <b>Total Hours:</b>                              | <b>13.55</b>      | <b>7.00</b>     | <b>42.95</b>     | <b>75.20</b>     | <b>0.00</b> | <b>138.70</b> |                  | <b>312.97</b>     |
| <b>Total Fees Claimed: £</b>                     | <b>8,807.50</b>   | <b>3,570.00</b> | <b>16,727.50</b> | <b>14,304.00</b> | <b>0.00</b> |               | <b>43,409.00</b> |                   |

Category 2 Disbursements:

## Appendix 6 – Narrative of work carried out for the Reporting Period

The key areas of work have been:

### **SIP 9 narrative for the period 23 June 2020 to 22 December 2020**

|                             |   |
|-----------------------------|---|
| Administration and planning | <ul style="list-style-type: none"><li>• Monitoring and reviewing the Administration strategy;</li><li>• Briefing staff on the Administration strategy and matters in relation to workstreams;</li><li>• Regular case management and reviewing of process including regular team update meetings and calls;</li><li>• Meeting with management to review and update strategy and monitor progress;</li><li>• Reviewing and authorising junior staff correspondence and other work;</li><li>• Dealing with queries arising during the appointment;</li><li>• Reviewing matters affecting the outcome of the Administration;</li><li>• Allocating and managing staff case resourcing and budgeting exercises and reviews;</li><li>• Developing and maintaining an estimated outcome statement used to help determine the Administration strategy;</li><li>• Liaising with legal advisors regarding various instructions;</li><li>• Complying with internal filing and information recording practices, including documenting strategy decisions; and</li><li>• Drafting statutory progress reports.</li></ul> |
| Creditors                   | <ul style="list-style-type: none"><li>• Updating the list of Unsecured Creditors;</li><li>• Responding to enquiries from Creditors regarding the Administration and submission of their claims;</li><li>• Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records;</li><li>• Drafting statutory progress reports;</li><li>• Providing written and oral updates to the Secured Creditors regarding the progress of the Administration and cases strategy;</li><li>• Liaising with the Secured Creditors regarding the extension of the Administration; and</li><li>• Filing notice of the extension of the Administration.</li></ul>   |
| Statutory and compliance    | <ul style="list-style-type: none"><li>• Ensuring compliance with all statutory obligations within the relevant timescales;</li><li>• Uploading information to the Website;</li><li>• Drafting and publishing progress reports;</li><li>• Running decision procedures;</li><li>• Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9;</li><li>• Monitoring the fees estimate; and</li><li>• Monitoring the expenses estimate.</li></ul>   |
| Cashiering                  | <ul style="list-style-type: none"><li>• Preparing statutory receipts and payments accounts;</li><li>• Renewing bonding and complying with statutory requirements;</li><li>• Making payments and journaling receipts; and</li><li>• Periodic reviews of the Administration accounting records.</li></ul>   |
| Asset realisations          | <ul style="list-style-type: none"><li>• Liaising with the Landlord regarding the surrender of the lease for the Company's trading premises;</li></ul>   |

Trading

- Reviewing outstanding debtors and management of debt collection strategy with the Purchaser;
- Seeking legal advice in relation to book debt collections;
- Liaising with third parties regarding costs incurred;
- Reviewing and agreeing invoices;
- Reviewing costs incurred to ensure recorded accurately; and
- Arranging payments to agents and solicitors in a timely manner.
- Attending to supplier and customer queries and correspondence;
- Reviewing invoices to ensure they correspond with relevant purchase orders;
- Raising payments to suppliers in respect of Administration costs;
- Ensuring accurate accounting for the trading period; and
- Contacting all suppliers to obtain final invoices for the trading period.



## **Appendix 7 – Statement of Creditors' rights**

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)*

*Section or paragraph numbers refer to Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Daniel Ryan at [Daniel.O.Ryan@Duffandphelps.com](mailto:Daniel.O.Ryan@Duffandphelps.com).

### **Information for Creditors on remuneration and disbursements of Administrators**

Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandphelps.co.uk/-/media/assets/pdfs-international/uk/creditors-guide/administration-a-creditors-guide-to-insolvency-practitioner-fees-updated.ashx?la=en-gb&hash=007D99D0FCC2E1AAADA98AA36B09E2D94292DBA9>

(click on the document 'Administration (appointment from 1 October 2015)'). Should you require a copy, please contact this office.

### **Creditors' requests for further information**

If you would like to request more information about the Joint Administrators' remuneration and disbursements disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from Unsecured Creditors must be made with the concurrence of at least 5% in value of Unsecured Creditors (including, the Unsecured Creditor making the request) or with the permission of the Court.

### **Creditors' right to challenge our remuneration and expenses**

If you wish to challenge the basis of the Joint Administrators' remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by Unsecured Creditors (including the Unsecured Creditors making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Daniel Ryan at [Daniel.O.Ryan@duffandphelps.com](mailto:Daniel.O.Ryan@duffandphelps.com).

## Appendix 8 – Definitions

| Word or Phrase           | Definition   |
|--------------------------|--|
| the Act                  | The Insolvency Act 1986 (as amended)   |
| the Agents               | SIA Group Asset Ingenuity Ltd., independent agents who were instructed to value the assets of the Company  |
| the Appointment Date     | 23 December 2019, being the date of appointment of the Joint Administrators  |
| Category 2 Disbursements | The Joint Administrators' internal costs and expenses in dealing with the Administration   |
| the Company              | Addition Manufacturing Technologies U.K. Limited (In Administration) (Company Number: 05762934)  |
| the Directors            | Philip Aspinall and Charles Gonzales, the directors of the Company   |
| EC Regulation            | EC Regulation on Insolvency Proceedings 2000   |
| the Solicitors           | Gateley UK LLP, independent third-party solicitors instructed by the Joint Administrators  |
| HMRC                     | HM Revenue and Customs   |
| Huntington               | The Huntington National Bank (as a successor by merger to FirstMerit Bank, N.A.), being the holder of a fixed and floating charge over the Company's assets  |
| the Joint Administrators | Sarah Bell and Steven Muncaster of Duff & Phelps Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW  |
| the Prescribed Part      | Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to Unsecured Creditors |
| Redcoat                  | Redcoat LLC (as Security Trustees), being the holder of a fixed and floating charge over the Company's assets  |
| Previous Progress Report | The Joint Administrators' Progress Report to Creditors, for the period from the Appointment Date to 22 June 2020   |
| the Proposals            | The Joint Administrators' Report to Creditors and Statement of Proposals dated 20 January 2020   |
| the Purchaser            | Addison Forming Technologies Limited, the purchaser of part of the business and assets of the Company  |
| the Reporting Period     | The period from 23 June 2020 to 22 December 2020   |
| the Rules                | The Insolvency (England & Wales) Rules 2016 (as amended)   |
| the Secured Creditors    | Huntington and Redcoat   |

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SIP 9

Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements

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## **Appendix 9 – Notice about this report**

This report has been prepared by Sarah Bell and Steven Muncaster, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency Rules (England and Wales) 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 any financial interest in the Company or any other company in the same group.

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

Sarah Bell and Steven Muncaster are authorised to act as insolvency practitioners by 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 appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Duff & Phelps Ltd. does not assume any responsibility and will not accept any liability to any person in respect of this Progress Report or the conduct of the Administration.