

The Insolvency Act 1986

Notice of automatic end of administration

R2.43

Pursuant to Rule 2.43 of the Insolvency (Scotland) Rules 1986

Name of Company

Kelvinkit Limited

Company number

SC197862

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

We (a) Blair Carnegie Nimmo and Gary Steven Fraser

having been appointed administrators of (b) Kelvinkit Limited, Kelvin House, 87 Calder Street, Coatbridge, Lanarkshire, ML5 4EY

(b) Insert name and address of the registered office of company

on (c) 5 February 2007 by (d) the directors of the Company

(c) Insert date of appointment

hereby give notice that our appointment ceased to have effect on 4 February 2010

(d) Insert name of appointor / applicant

We attach a copy of our final progress report.

Signed

Joint / Administrator(s)

Dated 4 February 2010

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

Tracey Milne
KPMG LLP
191 West George Street
Glasgow
G2 2LJ

Tel 0141 300 5567

DX Number 551820

DX Exchange Glasgow



SCT

10/02/2010
COMPANIES HOUSE

557

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, 37 Castle Terrace, Edinburgh EH1 2EB
235 Edinburgh / LP 4 Edinburgh-2



**Kelvinkit Limited
(in administration)**

**Joint Administrators' final
progress report to creditors
pursuant to Rule 2.42 of the
Insolvency Rules (Scotland)
Act 1986**

4 February 2010

KPMG LLP

7 pages

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Kelvinkit Limited
(in administration)

*Joint Administrators' final progress report to creditors pursuant to Rule 2.42 of the
Insolvency Rules (Scotland) Act 1986*

KPMG LLP

4 February 2010

Purpose of this report

This Report has been prepared by Blair Carnegie Nimmo and Gary Stevn Fraser, the Joint Administrators of Kelvinkit Limited, solely to comply with their statutory duty to report to creditors under the Insolvency Rules 1986 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 purpose, or in any other context. This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Kelvinkit Limited.

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 1986 does so at its 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. Blair C Nimmo and Gary Steven Fraser are authorised to act as insolvency practitioners by the Institute of Chartered Accountants of Scotland. The Joint Administrators act as agents for Kelvinkit Limited and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the administration.

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1 Introduction

We, Blair Carnegie Nimmo and Gary Steven Fraser, of KPMG LLP, Joint Administrators of Kelvinkit Limited ("the Company") present our final progress report to creditors pursuant to Rule 2.42 of the Insolvency (Scotland) Rules 1986.

2 Joint Administrators' proposals

You will recall from the report previously issued to creditors on 13 April 2007, pursuant to Paragraph 49 of schedule B1 to the Insolvency Act 1986, that the Joint Administrators proposals were as follows:

- to finalise trading liabilities incurred during the period to 9 March 2007 and to collect funds due from sales during this period;
- to continue to pursue and realise the various debts still due to the Company;
- to finalise matters relating to the sale of the business and assets in M&M;
- to continue to realise the remaining assets of the Company;
- that their remuneration be based upon time costs properly incurred in the conduct of this Administration. A copy of "A creditors' guide to administrators' fees – Scotland" is attached as Appendix 4;
- to continue to do all such things reasonably expedient and generally exercise all their powers as Joint Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company;
- to seek an extension of the administration period if deemed necessary by the Joint Administrators;
- that the costs of KPMG LLP in respect of tax, VAT and pension advice provided to the Joint Administrators be based upon time costs at KPMG LLP rates and shall be paid out of the assets of the Company;
- as it is anticipated that the only practicable objective of the Administration is to realise assets and to make a distribution to the preferential and secured creditors that the Joint Administrators be permitted to pay any realisations to preferential and secured creditors and then take the appropriate steps to dissolve the Company;
- alternatively, in the event that there are sufficient funds to make a distribution to unsecured creditors (or for any other reason), the Joint Administrators be permitted to move the Company from Administration to Creditors' Voluntary Liquidation, and for the appointment of Blair Carnegie Nimmo and Gary Steven Fraser as Joint Liquidators of the Company without further recourse to creditors. In accordance with Paragraph 83 (7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.47 of the Insolvency (Scotland) Amendment Rules 2003, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the Proposals and before the Proposals are approved;

- that the Joint Administrators be discharged at the end of the Administration from liability in respect of any action of theirs as Joint Administrators pursuant to paragraph 98 (1) of schedule B1 of the Insolvency Act 1986 immediately following the registration of the notice given pursuant to paragraph 83 of schedule B1 of the Insolvency Act 1986.

3 Outcome of the Administration

Sale of the business, assets and goodwill

The sums realised for plant and machinery, stock and goodwill, amounted to £270,508.

Contract balances

The debtor collection process is now complete. With the assistance of our contract consultant we have been successful in recovering debtor and work in progress balances totalling £204,449. This compares favourably with our previous estimate of £180,000.

Preferential creditors

The Company's preferential creditors (for outstanding arrears of wages and holiday pay) were calculated at £6,386. These claims have been settled in full.

Floating charge holder

HSBC Bank plc's ("the Bank") direct claim against the Company at the date of the appointment amounted to £547,115. The Company had also granted a guarantee for sums due by Kelvin Homes Limited to the Bank. Taking into account the additional sums due under the cross guarantee, the Bank's total claim against the Company at the date of appointment amounted to £5,184,664. We have paid a total of £362,500 to the Bank under the terms of its floating charge.

Prescribed part of the Company's net property pursuant to Section 176A of the Insolvency Act 1986.

The Bank's floating charge was granted prior to 15 September 2003. Therefore s176A is not applicable and there will be no prescribed part of the Company's net property available for unsecured creditors.

Unsecured creditors

The floating charge holder has suffered a shortfall accordingly there are no funds available for distribution to the unsecured creditors.

4 Costs of realisations

Administrators' fees

The time properly spent by us and our staff attending to matters in the administration for the period 7 September 2007 until 6 January 2010 amounts to 1,326.45 hours at a total cost of £282,044, plus outlays of £3,045 (both exclusive of VAT). Our total fee request was restricted to £140,000 plus £3,045 outlays. Approval has been sought and granted from the Bank and the Creditors' Committee. I would confirm that all fees have now been taken.

Legal fees

Legal Fees of £17,689 plus VAT have been incurred throughout the case.

Corporation tax

A total of £3,151 has been incurred in respect of corporation tax over the period of the administration. HM Revenue & Customs have confirmed that there are no remaining taxation issues.

Other costs

During the course of the Administration, we have paid statutory advertising, insurance, agents fees and other miscellaneous costs to the value of £5,193.

5 Liabilities

Preferential creditors

As noted overleaf, the Company's preferential creditors have been paid in full.

Unsecured creditors

As previously advised there was no dividend payable to unsecured creditors of the Company.

6 Final Matters

Exit from administration

Since there are no funds available to the unsecured creditors and our duties as administrators are now complete, the Company will be dissolved 3 months from filing of this final report and registration of Form 2.21B (Scot) with the Registrar of Companies.

Gary Steven Fraser
KPMG LLP
191 West George Street
Glasgow
G2 2LJ

Blair C Nimmo
KPMG LLP
191 West George Street
Glasgow
G2 2LJ

4 February 2010



*Kelvinkit Limited
(in administration)*

*Joint Administrators' final progress report to creditors pursuant to Rule 2.42 of the
Insolvency Rules (Scotland) Act 1986*

KPMG LLP

4 February 2010

Appendix 1

Administrators' receipts and payments account

Kelvinkit Limited
(In Administration)
Administrators' Trading Account
To 04/02/2010

S of A £	£	£
POST-APPOINTMENT SALES		
Sales	172,983.64	172,983.64
PURCHASES		
Purchases	117,721.38	(117,721.38)
OTHER DIRECT COSTS		
Direct labour	33,275.83	(33,275.83)
TRADING EXPENSES		
Rent	3,375.00	
Carriage	5,200.00	
Professional fees	914.88	
Petty Cash	1,050.00	
HP/Leasing payments	1,062.21	
Hire of equipment	592.82	
		(12,194.91)
TRADING SURPLUS/(DEFICIT)		9,791.52

Kelvinkit Limited
(In Administration)
Administrators' Abstract of Receipts & Payments
To 04/02/2010

S of A £		£	£
	ASSET REALISATIONS		
20,000.00	Equipment	25,000.00	
20,000.00	Stock	20,507.68	
15,000.00	Stock - work in progress	NIL	
229,272.00	Book debts	204,449.33	
	Goodwill	225,000.00	
	Tax refunds (pre-app'ent)	6,345.81	
	VAT refunds (pre-app'ent)	18,580.12	
	Insurance refund	8,897.32	
			508,780.26
	OTHER REALISATIONS		
	Bank interest, gross	10,667.27	
	Miscellaneous income	4,602.74	
	Sundry refunds	442.62	
	Trading Surplus/(Deficit)	9,791.52	
			25,504.15
	COST OF REALISATIONS		
	Non-domestic rates	2,180.63	
	Specific bonds	10.00	
	Administrators' fees	137,797.95	
	Administrators' expenses	1,520.85	
	Agents'/Valuers' fees	530.00	
	Corporation tax	3,151.98	
	Professional fees	17,689.18	
	Court Fees	20.00	
	Heat & light	3.60	
	Statutory advertising	481.95	
	Bank charges	1,972.40	
	Unclaimed dividends	38.91	
			(165,397.45)
	PREFERENTIAL CREDITORS		
	Employees' wage arrears	6,386.96	
			(6,386.96)
	FLOATING CHARGE CREDITORS		
(535,545.00)	HSBC Bank plc	362,500.00	
			(362,500.00)
	UNSECURED CREDITORS		
(622,724.00)	Trade creditors	NIL	
(403,268.00)	Loans	NIL	
(14,898.00)	PAYE	NIL	
			NIL
	DISTRIBUTIONS		
440,100.00	Issued & called-up share capital	NIL	
			NIL
(852,063.00)			0.00

Kelvinkit Limited
(In Administration)
Administrators' Abstract of Receipts & Payments
To 04/02/2010

S of A £

£

£

REPRESENTED BY

NIL

Notes

Appendix 2

Statutory information

Relevant court

Notice of the appointment by directors was lodged at the Court of Session on 5 February 2007.

Registered office and trading address

The Company's former registered office was situated at:-

Kelvin House
87 Calder Street
Coatbridge
Lanarkshire
ML5 4EY

As part of the Administration process, the registered office for the Company has been changed to:-

c/o KPMG LLP
191 West George Street
Glasgow
G2 2LJ

Company number

The company number is SC197862.