

The Insolvency Act 1986

R2.25**Statement of administrator's proposals****Pursuant to paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.25 of the Insolvency (Scotland) Rules 1986**

Name of Company
Aquados (UK) Limited

Company number
SC204973

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

I/We (a)
Edward Christopher Wetton
Gibson Booth
15 Victoria Road
Barnsley
South Yorkshire
S70 2BB

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) Insert date

(b) 8 May 2006

Signed

Joint / Administrator(s)

Dated

15 MAY 2006

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

Edward Christopher Wetton
Gibson Booth
15 Victoria Road
Barnsley
South Yorkshire
S70 2BB

DX Number
ecw@gibsonboothinsol.com

01226 215999
DX Exchange



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
DX 235 Edinburgh / LP4 Edinburgh-2



When telephoning, please contact Gareth Peckett

GIBSON BOOTH

CHARTERED ACCOUNTANTS

15 Victoria Road, Barnsley,
South Yorkshire S70 2BB.
Telephone: (01226) 215999.
Fax: (01226) 213151.
ecw@gibsonboothinsol.com
www.gibsonbooth.co.uk

Our Ref: L/AQUADOS/2460/ECW/GDP/ADM

Your Ref :

Date : 8 May 2006

TO ALL KNOWN CREDITORS

Dear Sir/Madam

Aquados (UK) Limited - In Administration

I wrote to all creditors on 9 March 2006 to explain that the Company had entered into administration and that Edward C Wetton had been appointed as Administrator. I am licensed to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

I enclose a statement of my proposals for achieving the purpose of the administration, a summary of the actions I have taken as administrator and some information about the Company.

I was appointed as administrator to manage the affairs, business and property of the Company. I act until such time as my proposals for achieving the purpose of the administration have been agreed by creditors and implemented, following which the administration is discharged. The purpose of an administration is to achieve one of the following objectives :-

1. primarily, rescuing the Company as a going concern, or, failing that;
2. achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or finally;
3. realising property in order to make a distribution to one or more secured or preferential creditors.

In this instance, objective (2) is being pursued for the reasons set out in the attached report.

Continued

also at: Cheltenham Chatham, Huddersfield London Sittingbourne Southampton Southend and Woking.

National Telephone Number: 08707 001946

Partners: Paul Ballesta ATII, Gary Dickinson FCA, John Halgh FCA, Roger Hesketh, Steve Lindley ACA, ATII,
David Paget FCA, Alistair Russell ACA, Michael Thorpe ACA, Richard Umbers FCA, Ian Walker FCA, Ted Wetton FCA, FABRP
Consultants: Chris Booth FCA, ATII

Registered to carry on audit work and regulated for a range of investment business activities
and E C Wetton is authorised to carry on Business Recovery and Insolvency by the Institute of Chartered Accountants in England and Wales.

I believe that a distribution will be made to preferential and unsecured creditors. An initial meeting of creditors is therefore being convened by the administrator. A formal notice of the meeting is enclosed with this report. **It is therefore important that you read this document carefully.**

If you have any queries once you have read this report, please contact either myself or my colleague, Gareth Peckett.

Yours faithfully
For and on Behalf of Aquados (UK) Limited



E C Wetton
Administrator

Edward C Wetton has been appointed Administrator of Aquados (UK) Limited to manage its affairs, business and property as its agents. He is licensed to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales.

Rule 2.35

Notice of a meeting of Creditors

Name of Company

Aquados (UK) Limited

Company number

SC204973

In the
Court of Session Edinburgh

(full name of court)

Court case number

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

Notice is hereby given by (a)
Edward Christopher Wetton
Gibson Booth
15 Victoria Road
Barnsley
South Yorkshire
S70 2BB

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

that a meeting of creditors of (b)

Aquados (UK) Limited
C/o Gibson Booth
15 Victoria Road
Barnsley S70 2BB

(c) Insert details of place
of meeting

is to be held at (c)

(c) Offices of Gibson Booth, 15 Victoria Road, Barnsley, S70 2BB

(d) Insert date and time
of meeting

on (d) 22nd May 2006

at 11:00

The meeting is:

*Delete as applicable

*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')

~~*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~

~~*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~

~~*(4) a further creditors' meeting under paragraph 56 of the Schedule~~

~~*(5) a creditors' meeting under paragraph 62 of the Schedule.~~

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed

Joint / Administrator(s)

Dated

9 MAY 2006

*Delete as applicable

A copy of the *proposals/ ~~revised proposals is attached~~

Proxy (Administration)**1331****Aquados (UK) Limited**Notes to help
completion of the formPlease give full name
and address for
communication

Name of Creditor

Address

Please insert name of
person (who must be 18
or over) or the Official
Receiver if you wish to
provide for alternative
proxy holders in the
circumstances that your
first choice is unable to
attend please state the
name(s) of the
alternatives as well

Name of Proxy Holder

1

2

3

Please delete words in
brackets if the proxy
holder is only to vote as
directed i.e. he has no
discretion

I appoint the above person to be my/the creditors proxy holder at the meeting of creditors to be held on **22 May 2006**, or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

* Please delete words as
appropriate**Voting Instructions for resolutions**

1. For the acceptance/rejection* of the administrators proposals/revised proposals* as circulated

2. For the appointment of _____

Of _____

Representing _____

As a member of the creditors committee

This form must be
signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

Only to be completed if
the creditor has not
signed in person

Position with creditor or relationship to creditor or other authority for signature

PROOF OF DEBT - GENERAL FORM**In the matter of Aquados (UK) Limited****And in the matter of the Insolvency Act 1986****Date of Administration – 8 March 2006**

1.	Name of Creditor	
2.	Address of Creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration	£
4.	Details of any documents by reference to which the debt can be substantiated. [Note: the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5.	If total amount above includes outstanding uncapitalised interest, please state amount	£
6.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with Schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £

7.	Particulars of how and when debt incurred	
8.	Particulars of any security held, the value of the security, and the date it was given	
9.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	Date :

OFFICE USE ONLY

Admitted to Vote for

£

Date

Chairman

Admitted preferentially for

£

Date

Administrator

Admitted non-preferentially for

£

Date

Administrator

Aquados (UK) Limited

In Administration

**Report to Creditors pursuant to
Paragraph 49 of Schedule B1 of the
Insolvency Act 1986**

8 May 2006

**Gibson Booth
Chartered Accountants
15 Victoria Road
Barnsley
S70 2BB**

Aquados (UK) Limited – In Administration

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Attachments

- 1 Statutory information
- 2 Receipts & payments account for the period
- 3 Estimated outcome statement
- 4 List of creditors and shareholders

Appendices

- 1 Appendix I – Administrators costs to date
- 2 Appendix II – A Creditors guide to Administrators fees
Gibson Booth charge out rates

Aquados (UK) Limited – In Administration

1 GLOSSARY

Administrator	Edward Christopher Wetton of Gibson Booth, Chartered Accountants, 15 Victoria Road, Barnsley, S70 2BB
Administration Order	The Administration Order granted by the Court of Session Parliament House, Parliament Square, Edinburgh in respect Aquados (UK) Limited dated 8 March 2006.
Company	Aquados (UK) Limited (Company registered number SC204973) 130 St Vincent Street Glasgow Strathclyde G2 5HF
Bank	Barclays Bank Plc

2 INTRODUCTION

Edward Christopher Wetton was appointed Administrator on 8 March 2006 by Jempak Canada Inc (who hold a qualifying floating charge).

In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986 the Administrator sets out below his proposals for achieving the purpose of the administration and his proposals for the conduct of the administration.

This report includes information required to be provided to creditors in accordance with Rule 2.33 of the Insolvency (Amendment) Rules 2003.

The appropriate statutory information is attached.

3 BACKGROUND AND EVENTS LEADING TO THE APPOINTMENT OF AN ADMINISTRATOR

The Company was incorporated on 14 March 2000 to manufacture soap detergents for consumer and business use.

Jempak Canada Inc ("Jempak") holds a bond and floating charge over the Company assets which was created on 3 December 2002 and registered on 10 December 2002. Jempak issued a demand upon Aquados (UK) Limited for all sums due to them under their facility agreement.

The terms of the demand were not honoured and Jempak proceeded to appoint me as Administrator under their qualifying floating charge and on the 8 March 2006 I was appointed Administrator.

4 PURPOSE, INITIAL STRATEGY AND PROGRESS OF THE ADMINISTRATION

4.1 Purpose of the Administration

I was appointed Administrator to manage the affairs, business and property of the Company. I act until such time as our proposals for achieving the purpose of the administration have been agreed by creditors and implemented, following which the administration is discharged. The purpose of an administration is to achieve one of the following objectives:

- (a) primarily, rescuing the Company as a going concern, or, failing that;
- (b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or finally;
- (c) realising property in order to make distributions to one or more secured or preferential creditors.

In this particular case, the Administrator does not consider objective (a) to be achievable for the reasons given below, and hence objective (b) will now be

achieved by pursuing outstanding book debts and the realisation of assets. It is anticipated that a distribution will subsequently be made to the Company's creditors.

I will investigate and if appropriate, pursue any claims that the Company may have under the Companies Act 1985 or the Insolvency Act 1986.

In addition I shall do all such other things and generally exercise all my powers as Administrator as I, in my discretion, consider desirable in order to achieve the purpose of the administration and to protect the assets of the Company and to maximise their realisations for any other purpose incidental to these proposals.

Reason why objective (b) is being pursued

At the time of my appointment the Company did not have funds available to allow it to meet its liabilities. The Company did not have sufficient stock to enable the continued production of product and the lead time for such needed stock was 7 -14 days as the stock was to be delivered from America.

It was established that the Company would be unable to satisfy its liabilities through continued trading and that the only option was to try and sell the Company assets.

As such, it is not possible to achieve objective (a).

In order to maximise realisations and increase the return to creditors it was decided that the Company was to try and continue trading using the stock that was available. This enabled me to enhance the realisation of assets through a going concern sale achieving a better result than if the Company was wound up.

The Administrator will realise all the assets of the Company which will hopefully provide sufficient funds to make a distribution to secured, preferential and unsecured creditors.

In view of the above, the Administrator anticipates achieving objective (b).

4.2 How will the administration end ?

In this case it appears that there will be sufficient realisations to allow for a distribution to become available to preferential and unsecured creditors.

The Administrator anticipates being able to make a distribution to the secured, preferential and unsecured creditors in order to achieve objective (b).

Under the provisions of the Insolvency Act 1986 there are a variety of ways in which the administration may come to an end.

It is proposed that the Administrator be authorised to dissolve the Company pursuant to Paragraph 84 of Schedule B1 to the Insolvency Act 1986 at his discretion. The Administrator will be discharged from liability in respect of any action of his as Administrator pursuant to paragraph 98(1) of Schedule B1 of the Insolvency Act 1986 upon the registration of the notice given pursuant to Paragraph 84 of the said Act or Paragraph 83 as the case may be.

If a creditors' voluntary liquidation is deemed appropriate, the Administrator be permitted to seek the appointment of myself as liquidator of the Company without any further recourse to creditors. In accordance with paragraph 83(7) and Rule 2.117(3), 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.

If I am appointed Liquidator then the following resolutions also apply:

- that unless requested no Liquidation Committee be established; and
- that the remuneration of the liquidator be fixed on the basis of time properly spent by the liquidator and his staff in attending to matters arising in the liquidation. To be drawn on account from time to time; and
- the Liquidator be authorised to engage agents and solicitors at his discretion to advise and assist in the administration of the Liquidation; and

- the Liquidator shall undertake such investigations as he deems necessary where this appears to be in the financial interests of the creditors; and
- the Liquidator be authorised to compromise any debt owed to the Company or any claim against the Company; and
- the Liquidator shall have power to pay all secured and preferential creditors when sufficient assets have been realised; and
- the books and records of the Company be destroyed 15 months after the conclusion of the Liquidation.

4.3 How long will the administration remain in force?

The Administrator considers it probable that the administration will be concluded within one year. However, if this appears doubtful, in accordance with Paragraph 78(2) (a) Schedule B1 of the Insolvency Act 1986, an extension for a period not exceeding six months may be granted by the creditors. The Administrator may also apply to Court to extend their term of office for a specified period.

4.4 Will there be a creditors committee?

I propose that the creditors consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction any proposed act on the part of the Administrator without the need to report back to a further meeting of creditors generally, to include making any decision about the most appropriate exit route from Administration.

Where it is resolved by a creditors meeting to establish a creditors' committee for the purpose of the administration, the committee shall consist of at least 3 and not more than 5 creditors of the Company elected at the meeting.

4.5 How is it proposed the Administrator's fees be calculated?

It is proposed that the remuneration of the Administrator will be fixed by reference to time spent by him and his staff in managing the Administration according to his firm's usual rates for work of this nature, and that disbursements be charged in accordance with the firm's policy, including Category 2 SIP9 disbursements, in accordance with the Statement of Insolvency Practice No. 9 issued by the Association of Business Recovery Professionals. A copy of the 'Creditors' Guide to Administrators' Fees' is attached as Appendix II.

Under Rule 2.106 of the Insolvency (Amendment) Rules 2003 and in the absence of a Creditors' Committee, the remuneration of the Administrator be fixed by reference to time properly given by them and their staff in attending to matters arising from the Administration.

In accordance with Statement of Insolvency Practice No. 9, issued by the Association of Business Recovery Professionals the Administrator be authorised to draw remuneration as and when funds are available on account of their time costs. A creditors' guide to fees is attached as Appendix II. Also that the Administrator be authorised to draw disbursements from time to time.

A full analysis of the Administrators' costs to date is attached at Appendix I. A creditor's guide to Administrators fees and Gibson Booth charge out rates is attached at Appendix II.

In accordance with Paragraph 51(1) the Administrator is to summon an initial meeting of the Company's creditors.

4.6 Initial strategy and Progress of the administration

The Administrator reviewed the assets of the Company with a view to realisation. Sanderson Weatherall of Leeds were instructed with regard to the valuation of the assets of the Company.

They were instructed on the basis that their fees would be based on their normal charge out rate.

The Company traded from a rented unit. The plant and machinery, plumbing components and stock were such that it would have been too costly to try and vacate the unit.

Plant & Machinery

As a manufacturer of water soluble PVA pouches containing soap powder, the Company utilises one primary machine, a Rideau Packaging machine and various associated ancillaries.

I understand the machine was developed by the Company and is therefore of a bespoke nature, with possibly only one other similar machine in the world.

The value placed on the Plant & Equipment in the January 2006 management accounts was £349,572. Upon the advice of our agent we accepted an offer of £555,492 for these assets.

Fixtures & Fittings

This consisted of desks chairs and computers. A value of £1,651 was placed on these items in the January 2006 management accounts. Upon the advice of our agent we accepted an offer of £5,000 for these assets.

Motor Vehicles

There was one motor vehicle an Audi A6 registered in 1998. The vehicle had a valid MOT and no tax. The vehicle had high mileage and was in very poor condition. The vehicle was sold for £500.

Stock

The stock principally comprises mainly of soap powder which had been mixed for the purpose of packaging into dissolvable sachets and packaging which displayed the Company's logo. A proportion of the stock was finished product

produced for customers whose orders were pending at the time of my appointment.

The total stock valued by the Company in the management accounts dated 31 January 2006 was £185,765. A large amount of this stock was subject to retention of title claims. Due to the nature of this stock and the retention of title claims its predicted realisation value was low. Upon the advice of our agent we accepted an offer of £60,000 for these assets.

Book Debts

Debtors had a value of £102,098 in accordance with the sage accounting records obtained on 8 March 2006. The Company operated a discrete factoring facility with Barclays Bank Plc – Sales Financing.

Barclays are continuing to collect in the debtor ledger and according to the last statement received they have an amount of £102,712 to collect and outstanding charges of £20,107.

To date I have realised £74,754 in respect of book debts. I believe that this amount relates to debtors included in the balance provided by Barclays and am seeking confirmation from them.

Other Information

The following is attached :-

- Statutory information
- A receipts and payments account for the period
- Administrators estimated outcome statement
- List of creditors and shareholders
- In accordance with Section 176A of the Insolvency Act 1986, there will be no Prescribed Part available to unsecured creditors.

- The EC regulations do apply. The Administration proceedings are main proceedings as defined in Article 3 of the EC Regulations and the Company's main centre of business is in South Yorkshire.

5 DIRECTOR'S STATEMENT OF AFFAIRS AND ESTIMATED OUTCOME

The director has not yet provided us with a statement of affairs as regards to the Company. I therefore enclose with this report my estimated outcome statement which illustrates the assets and liabilities of the Company from reviewing the books and records of the Company.

The amounts actually received for the sale of the plant, equipment and stock are shown on the estimated outcome statement. As you can see it is likely that a distribution will be made to secured, preferential and unsecured creditors.

Please note that the estimated outcome statement does not include any provisions for the costs of realisation.

6 CREDITORS' MEETING

The Administrator estimates that there will be a payment made to secured, preferential and unsecured creditors in due course. Preferential creditor's claims relate to employees in respect of arrears of wages and holiday pay.

The Administrator therefore proposes to hold an initial creditors' meeting pursuant to Paragraph 51(1) of Schedule B1 of the Insolvency Act 1986. A formal notice of the creditors meeting is enclosed with this report.

7 ADMINISTRATOR'S PROPOSALS FOR THE CONTINUED AFFAIRS AND BUSINESS OF THE COMPANY

It is proposed that the Administrator continue to manage the affairs of the Company in order to achieve the purpose of the Administration and continue to do all such things reasonably expedient and generally exercise all powers as Administrator as in his discretion he considers desirable.

As previously discussed, the plant and stock have now been sold and the monies are held by me. As Administrator I propose to continue to realise the assets of the Company in such a manner as they consider appropriate with a view to achieving the purpose set out in Paragraph 3(1) (b) of Schedule B1 to the Insolvency Act 1986.

The book debts will be finalised and Barclays bank will continue to collect these debtors and forward the surplus to me after discharging their debt.

An initial meeting of the Company's creditors is being convened because the Administrator anticipates that there may be sufficient property to enable a distribution to be made to the Company's unsecured creditors. The level of this distribution is dependent, however, on the recovery of the Company's book debts.

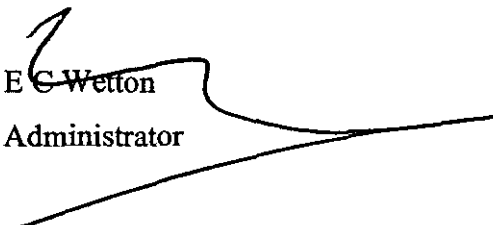
It is proposed that the Administrator will, in accordance with Paragraph 83 of Schedule B1 of the Insolvency Act 1986, file notice to place the Company into creditors' voluntary liquidation and be appointed as liquidator of the Company. In accordance with paragraph 83(7) and Rule 2.117(3), creditors 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.

If insufficient funds are recovered to enable a dividend to be paid to the unsecured creditors, the Administrators will file a notice pursuant to paragraph 84 of Schedule B1 to the Act, together with a final progress report at the Court and with the Registrar of Companies for the dissolution of the Company. The Administrators shall send copies of these documents to the Company and the creditors.

The Administrator is not aware of any further information at the time of writing this report he thinks necessary to enable creditors to decide whether to adopt the above proposals.

This report constitutes the Administrator's proposals under Paragraph 49 of Schedule B1 of the Insolvency Act 1986. The Administrator will continue to do all such things as necessary to maximise the realisations into the Company, and will investigate any claims the Company may have as required.

If you require any further information or explanation please do not hesitate to contact either myself or Gareth Peckett of this office.



E C Wetton
Administrator

8 May 2006

AQUADOS (UK) LIMITED – IN ADMINISTRATION

Statutory Information

Company Number	SC204973
Date of Incorporation	14 May 2000
Nature of Business	Manufacturer soap & detergents polishes etc
Issued Share Capital	33,000 Ordinary Shares of £1 each
Directors	Gerald Thomas Hinton Elizabeth Jane Hinton
Secretary	Stuart William Christie
Registered Office	130 St Vincent Street Glasgow Strathclyde G2 5HF
Auditors	Buckle Barton Accountants Sanderson House Station Road Horsforth Leeds S18 5NT
Bankers	Barclays Bank Albion Street Branch Airedale House 77 Albion Street Leeds LS1 5LD

Aquados (UK) Limited
(In Administration)
Administrator's Abstract of Receipts & Payments
To 08/05/2006

S of A £	£	£
SECURED ASSETS		
Plant & Machinery	555,492.00	
Goodwill	8.00	
Stock	60,000.00	
Motor Vehicles	500.00	
Fixtures & Fittings	5,000.00	
Book Debts	74,754.13	
Production Film	3,406.07	
		699,160.20
COSTS OF REALISATION		
Indirect Labour	280.00	
		(280.00)
COST OF REALISATIONS		
Professional Charges Buckle Barton	325.00	
		(325.00)
		<u>698,555.20</u>
REPRESENTED BY		
VAT Receivable		56.87
Bank 2 - Current		698,498.33
		<u>698,555.20</u>

Aquados (UK) Limited
(In Administration)
Administrator's Estimated Outcome Statement
At 8 May 2006

	£	£
Secured assets		
Plant & Machinery		555,492
Goodwill		8
Stock		60,000
Motor Vehicles		500
Fixtures & Fittings		5,000
Book Debts	102,713	
Barclays Bank Plc - Sales Financing	<u>(20,241)</u>	
		82,472
Production Film		<u>3,406</u>
		706,878
Preferential creditors		
Department of Employment		<u>(2,200)</u>
Assets available for secured creditors		<u>704,678</u>
Secured creditors		
Barclays Bank Plc		0.00
Jempak Canada Inc		<u>(521,242)</u>
		<u>(541,484)</u>
Assets available for unsecured creditors		<u>183,435</u>
Unsecured creditors		
Trade & Expense Creditors		(687,518)
Department of Employment		(3,500)
HM Revenue & Customs		<u>(22,483)</u>
		<u>(713,501)</u>
Estimated surplus/(deficiency)		<u>(530,066)</u>

Aquados (UK) Limited B-Company Credits

Key	Name	Address	
CA00	Action Logistics (UK) Ltd	Unit 9, Cross Green Light Industrial Estate, Cross Green Lane, Leeds LS9 8TJ	98.70
CA01	ADN Electrical LLP	11 Windermere Drive, Garforth, Leeds, LS25 1JN	151.67
CA02	Adpack Machinery Systems Ltd	3 Pendleside, Lomeshaye Ind Estate, Nelson, Lancashire	879.84
CA03	Aldcroft Adhesives Ltd	Unit 3A Horwich Loco Industrial Est, Chorley Road, Horwich, Bolton BL6 5UE	1,712.46
CA04	Appleyard Vehicle Contracts	Manor Street, Sheepscar, Leeds, LS7 1PZ	6,736.66
CA05	Aquados (Europe) Ltd	130 St Vincent Street, Glasgow, Strathclyde, G25 HF	59,805.63
CA06	Timico Ltd (Atlas Internet)	Langford Hall, Newark, Nottinghamshire, NG23 7RS	141.00
CB00	Barclays Bank Plc	Barclays Sales Financing, Aquila House, Breeds Place, Hastings East Sussex	58.75
CB01	The Barry Jones Consultancy Ltd	11 St Martins Close, Whiteley Bay, Tyne & Wear, NE26 3JN	12,250.00
CB02	Buckle Barton Chartered Accountants	Sanderson House, Station Road, Horsforth, Leeds S18 5NT	38,892.12
CC00	Arnold Clark Finance Ltd	163 St Georges Road, Charing Cross, Glasgow, G3 6LB	521.23
CC01	Caravansons Ltd	Hollins Vale Works, Bury, BL9 8QG	9,400.00
CC02	Clariant UK LTD	Calverley Lane, Horsforth, Leeds, LS18 4RP	6,908.68
CC03	Cleanaway Ltd	The drive, Warley, Brentwood, Essex CM13 3BE	354.65
CC04	Costco Wholesale UK Ltd	UK Home Office, Hartspring Lane, Watford, Herts WD25 8JS	176.11
CD00	DHL International (UK) Ltd	PO Box 192, Feltham, Middlesex, TW14 0YB	264.70
CF00	Fairsley Transport Ltd	Unit 2, 420 Tong Street, Bradford, BD4 6LP	4,166.55
CF01	Field Packaging	Colthorp, Thatcham, Berkshire, RG19 4NL	17,997.48
CF02	Kent Frazer	16 Ryburn, Beestonley Lane, Barkisland Mill, Halifax, HX4 DHX	7,000.00
CG00	Roger Gardner	Winton, Williamscoot, Banbury, Oxon, OX17 1AB	1,846.53
CH00	Hachette Filipacchi UK LTD	64 North Row, London, W1K 7LL	58,975.00
CH01	H & I Chemicals Ltd	57 Park Avenue, Buxton, Chorley, Lancashire PR7 6JQ	96,709.33
CH02	H M Customs & Excise	V at control Units, Alexander House, 21 Victoria Avenue, Southend on Sea SS99 1AB	304.22
CI00	Isoqar	First floor, West Point, 51 Chester Road, Manchester, M16 9HU	693.25
CI01	Inland Revenue	Centre 1 Area, Queensway House, Stewartfield Way, East Kilbride, Glasgow G79 1AA	22,179.11
CJ00	Jade Holdings Ltd	Greenwood House, Albion Road, Bradford, BD10 9TQ	56,930.81
CJ01	JA Leach Transport Ltd	Chichester Street, Rochdale, Lancashire, OL16 2AU	4,670.47
CJ02	Jade Holdings Ltd	Greenwood House, Albion Road, Bradford, BD10 9TQ	0.00
CJ03	Jempak Canada Inc	80 Doney Crescent, Concord, Ontario, L4K 3P1	500,000.00
CK00	Kappa Zedek Display	5-6 Harcourt Way, Meridian Business Park, Leicester, LE19 1WP	64,840.83
CK01	Kent Fraser	16 Ryburn, Barkisland Mill, Beestonley Lane, Barkisland, Halifax, HX4 OHF	9,397.30
CK02	Kewill Systems plc	c/o Connell Associates Solicitors, Union Marine Buildings, 11 Dale Street, Liverpool L2 2SH	0.00
CL00	Link Packaging Ltd	Tingley Bar Industrial Estate, Morley, Leeds, LS27 0HE	24,224.36
CL01	LBK Packaging	Overbrook Court, Overbrook Lane, Knowsley Business Park, L34 9FB	493.50
CL02	Lift Train Limited	53 Dale Street, Ossett, WF5 9HF	376.00
CM00	Manley Forktrucks Ltd	Unit 5a, Roundwood Ind est, Ossett, Wakefield WF8 9SQ	0.05
CM01	Mazars	90 St Vincent Street, Glasgow, G2 5UB	18,251.87
CM02	Gavin MacEchem		0.00

Signature

Date

Aquados (UK) Limited B - Company Creditors

Key	Name	Address	
CN00	NCH Marketing Services Ltd	Corby, Northants, NN17 1NN	307.31
CP00	Pallet Sales & Repairs	Midland Road, Hunslet, Leeds, LS10 2RJ	211.50
CP01	POWWOW	4050 Chancellor Court, Oxford Business Park South, Garsington Road, Oxford OX4 2JY	770.92
CP02	Paladin Commercial Ltd	C/O Regus UK Ltd, 35 Chalkhill, Watford, Herts WD19 4BL	0.00
CR00	Richard Wild (Stationers) Ltd	Levick House, Whitehall Road, Drighlington, Bradford BD11 1NQ	201.03
CR01	Rideau Packaging Ltd	902 Paramont Parkway, Balavia, 60510-1453	745.02
CS00	Stewart Hindmarsh Advertising	Cedars Lodge, The Cedars, Ashbrooke, Sunderland, SR2 7TW	5,842.10
CS01	Stephenson Transport Ltd	Unit 4C Carlinghow Mills, 501 Bradford Road, Batley, WF17 8LN	35.25
CS02	Simple Fraser	80 George Street, Edinburgh, EH2 3BU	1,035.97
CS03	Simple Fraser	130 St Vincent Street, Glasgow, G2 5HF	62,147.84
CS04	SCA Packaging Nicollet	143 Avenue Charles d Gaulle, Neuill Cedex, 92521, France	58,972.90
CS05	SDML Consultancy & Training	Nutwood, 73 St Winifreds Road, Harrogate, North Yorkshire HG2 8LR	164.50
CT00	THUS plc	Payments Centre, PO Box 7777, Glasgow, G2 5BD	1.99
CT01	Peter Mason	Talbot House, 45 Winchelsea Avenue, Newark, NG24 4AD	3,613.00
CT02	Tesco Stores Limited	Sales Ledger Dept, Tesco House, PO Box 506, Cardiff, CF4 4TS	23,500.00
CU00	UDEX	UDEX House, Newport, NP20 1HG	117.50
CV00	Vision Creative Ltd	Hammerlain House, Hookstone Avenue, Harrogate, HG2 8ER	2,417.77
CV01	Vodafone Retail Ltd	Pembroke House, Banbury Business Park, Aynho Road, Adderbury, Oxon, OX17 3NS	2,028.07
CW00	Windsor Insurance Brokers	International House, Trinity Business Park, Wakefield, WF2 8EF	1,837.50
CW01	Richard Whittaker Limited	Unit 28, Transpennine Ind Est, Gorrels Way, Queensway, Rochdale OL11 2QR	5,872.00
CW02	Warwick International Group Ltd	Mostyn, Hollywell, Flintshire, CH8 9HE	4,770.50
CW03	Mr Ian Wade	27a Block 1 Grand Garden, 61 South Bay Road, Hong Kong	0.00
CW04	Mr Ian Wade	A S Watson & Co Ltd, Watson House, 1-5 Wo Liu Hang Road, Fo Tan, Shatin, New Territories, Hong Kong	0.00
EC00	D Cameron	46 Vernacher Avenue, Callender, Perthshire, FK17 8JQ	0.00
EG00	R Gardner	Winton, Williamscoote, Banbury, Oxon OX17 1AB	0.00
EH00	G Hinton	Eastfield, 19 Stoneybyres, Lanark, ML11 9UW	0.00
ES00	R Scott	21 Queensway, Garforth, Leeds, LS25 1AZ	0.00
EW00	K Wharton	30 Hall Court, Brotherton, North Yorks, WF11 9HF	0.00
66 Entries Totalling			1,210,001.33

Signature

Date

Aquados (UK) Limited
Register of Shareholders

HC00	Ross Cavan 32 Inveraray Drive Bishopbriggs Glasgow G64 3HZ
HC01	Stuart Christie 73 Fotheringay Road Glasgow G41 4LQ
HD00	Paul Davidson Castle Mill Balfon Station Balfon G63 0NJ
HF00	Kent Fraser 54 Bracken Close Mirfield WF14 0HA
HG00	Colin Gray 44 Kingsborough Gardens Glasgow G12 9NL
HH00	Elizabeth Jane Hinton Eastfield 19 Stonebyres Lanark South Lanarkshire ML11 9UW
HH01	Gerald Thomas Hinton Eastfield 19 Stonebyres Lanark South Lanarkshire ML11 9UW
HJ00	Jade (Holdings) Limited Greenwood House Albion Road Bradford BD10 9TQ
HJ01	Jempak Canada Inc 80 Doney Crescent Concord Ontario L4K 3P1

Aquados (UK) Limited
Register of Shareholders

HM00	Gerald Maloney 10 Aire Mount Wetherby West Yorkshire LS22 7FW
HM01	Wayne Marsh 9 North Grove Mount Wetherby West Yorkshire LS22 7GD
HW00	Ian Wade A S Watson & Co Ltd Watson House 1-5 Wo Lu Hang Road, Fo Tan Shatin, New Territories, Hong Kong

12 Entries

Gibson Booth

TIME & CHARGEOUT SUMMARIES

Aquados (UK) Limited

To 8 May 2006

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	9.60	0.00	47.85	13.10	70.55	8,994.75	127.49
Investigations	22.70	0.00	16.35	20.50	59.55	9,928.25	166.72
Realisation of Assets	1.00	0.00	19.60	0.80	21.40	2,582.00	120.65
Creditors	5.50	0.00	5.45	5.90	16.85	2,438.25	144.70
Specific	0.00	0.00	7.70	0.00	7.70	885.50	115.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	9,894.00	0.00	11,153.75	3,781.00		24,828.75	
Total Hours	38.80	0.00	96.95	40.30	176.05		
Average Rate	255.00	0.00	115.05	93.82			

CATEGORY 2 DISBURSEMENTS

Type & Purpose			Amount £
18/04/2006	Other Expenses	Registrars of Scotland- inv 715181 23.03.06	20.00
03/04/2006	Travelling Expenses	Parking Fees re meetings15 to 22/3/06	23.10
			43.10

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES

Where Petition Presented or Appointment Made On or After 15 September 2003

ENGLAND AND WALES

1 Introduction

- 1.1** When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

2 The nature of administration

- 2.1** Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable

- realising property in order to make a distribution to secured or preferential creditors.

3 The creditors' committee

- 3.1** The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's fees

- 4.1** The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed either:

- as a percentage of the value of the property which the administrator has to deal with, or
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration.

It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed, and if it is fixed as a percentage fix the percentage to be applied. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the administrator;

- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties;
- the value and nature of the property which the administrator has to deal with.

4.2 If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as the committee would. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.

In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of –

- each secured creditor of the company; or
- if the administrator has made or intends to make a distribution to preferential creditors –
 - each secured creditor of the company; and
 - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,

having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

5 What information should be provided by the administrator?

5.1 When seeking fee approval

5.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought; and
- the size and complexity of the case.

5.1.2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

5.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the

case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

- 5.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

5.2 After fee approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 5.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 5.1.4 above regarding work which has been sub-contracted out.

5.3 Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

6 What if a creditor is dissatisfied?

- 6.1** If a creditor believes that the administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not as an expense of the administration.

7 What if the administrator is dissatisfied?

- 7.1** If the administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

8 Other matters relating to fees

- 8.1** Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.
- 8.2** If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

9. Provision of information – additional requirements

In any case where the administrator is appointed on or after 1 April 2005 he must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is –

- the total number of hours spent on the case by the administrator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office.

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office.

Supplement to 'A Creditors Guide to Administrators Fees'

In accordance with Statement of Insolvency Practice 9 we detail our charge out rates and disbursements policy.

Gibson Booth Charging and Disbursement Recovery Policy

Fees are charged on a time costs plus disbursements basis as follows:

Hourly Charge Out Rates

The rates depend on the complexity of the case.

Partner	£200 – £275
Manager	£140 – £175
Senior Case Administrator	£90 – £140
Case Administrator	£50 – £90

The above charge out rates incorporate the charges made for “support staff”, that is to say secretaries and cashiers.

The office holder(s) will seek approval from creditors to draw remuneration on a time cost basis, in accordance with the rates detailed above, at the meeting of creditors.

In common with all professional firms, our charge out rates increase from time to time. We reserve the right to change the rates without prior notice to you. Any change will be reported in the next statutory report to creditors.

Rechargeable Disbursements

The firm also charges the following NOT charged by third parties. (SIP9 category 2 disbursements) as follows:

Photocopying	17p per copy
Mileage at	40/60p per mile
Storage of boxes internally	£8 per annum per box
Destruction of boxes	£8.50 each
Room Hire where meeting held at Gibson Booth office	£50

The office holder(s) will seek approval from creditors to draw these disbursements at the creditors meeting.

These rates are applicable on all insolvency appointments from 1st September 2004 until further notice.