

AM23

Notice of move from administration to dissolution



Companies House

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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 Court details

Court name High Court of Justice Business & Property Courts,
Manchester

Court number 0 0 1 3 4 8 2 0 1 9

3 Administrator's name

Full forename(s) Steven

Surname Muncaster

4 Administrator's address

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

Postcode M 2 1 E W

Country

AM23

Notice of move from administration to dissolution

5 Administrator's name ①

Full forename(s)	Andrew William	① Other administrator Use this section to tell us about another administrator.
Surname	Knowles	

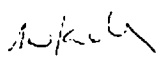
6 Administrator's address ②

Building name/number	The Chancery	② Other administrator Use this section to tell us about another administrator.
Street	58 Spring Gardens	
Post town	Manchester	
County/Region		
Postcode	M 2 1 E W	
Country		

7 Final progress report

☒ I have attached a copy of the final progress report

8 Sign and date

Administrator's signature	Signature X  X																	
Signature date	<table><tr><td>^d</td><td>^d</td><td>^m</td><td>^m</td><td>^y</td><td>^y</td><td>^y</td><td>^y</td></tr><tr><td>2</td><td>1</td><td>1</td><td>2</td><td>2</td><td>0</td><td>2</td><td>1</td></tr></table>	^d	^d	^m	^m	^y	^y	^y	^y	2	1	1	2	2	0	2	1	
^d	^d	^m	^m	^y	^y	^y	^y											
2	1	1	2	2	0	2	1											

AM23

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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 **Aaron Banks**

Company name **Kroll Advisory Ltd.**

Address **The Chancery**

58 Spring Gardens

Post town **Manchester M2 1EW**

County/Region

Postcode

Country

DX

Telephone **+44 (0) 161 827 9000**



Checklist

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- ☐ 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

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Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



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Final Progress Report to Creditors

21 December 2021

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

Joint Administrators' final Progress Report for the period from 23 June 2021
to 21 December 2021 with a summary of the Administration.

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Kroll Advisory Ltd
The Chancery
58 Spring Gardens
Manchester M2 1EW

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1. Introduction

Sarah Bell and Steven Muncaster were appointed Joint Administrators of the Company on 23 December 2019 by the Directors of the Company. Sarah Bell was replaced as Joint Administrator by Andrew Knowles, also of Kroll, on 16 June 2021.

The Administration was extended to 22 December 2021 by approval of the Secured Creditors in order to finalise the remaining asset realisations and to make distributions to the Company's Secured and unsecured creditors.

This report is the Joint Administrators' final progress report and provides creditors with a final account of the Administration of the Company for the period 23 June 2021 to 21 December 2021, together with a summary of the Administration as a whole.

The Joint Administrators have also explained the exit route from the Administration and the outcome for each class of creditor.

You will find other important information in this final progress report such as the costs the Joint Administrators have incurred.

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 final progress report to creditors is attached at Appendix 9.

2. Creditor summary

This final progress report covers the period from 23 June 2021 to 21 December 2021 and includes a summary of the progress made throughout the whole period of the Administration.

Summary of Proposals

- The background to the Administration and the Joint Administrators' strategy for achieving the statutory purpose of the Administration, are included within the Joint Administrators' Proposals. The Proposals confirmed that the Joint Administrators were pursuing the statutory objective of 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, as it was not possible to rescue the Company on a going concern basis.
- The Joint Administrators also achieved the statutory objective of realising property to make a distribution to one of more of the Company's Secured Creditors, as a result of distributions made to Huntington under both its fixed and floating charges.
- The Proposals were deemed approved by creditors on the 28 February 2020 without modifications. There have been no major amendments to, or deviations from the approved Proposals.
- A summary of Proposals is included at Appendix 2. A copy of the Statement of Proposals is available via the website at <https://micro.kroll.com/ukrestructuring> and can be provided on request.

Progress to date

- The Joint Administrators traded the Company in Administration whilst pursuing a going concern sale of the Company's business and assets.
- Following a negotiation period, part of the business and certain assets of the Company were sold to the Purchaser on 21 May 2020.
- All known assets of the Company have now been realised for the benefit of creditors.
- The Joint Administrators reviewed the affairs of the Company and have filed their confidential report with BEIS regarding the conduct of the Directors of the Company.
- In the Final Period, the Joint Administrators have declared and paid a dividend of 3p in the £ to the Company's unsecured creditors from funds available from the Prescribed Part.
- Work was also completed in the period to finalise the Company's tax position; settle outstanding costs; progress the matters required to move the Company to dissolution and to prepare the final progress report to creditors.

Outcome for Creditors

- Huntington holds a debenture which confers fixed and floating charges over the Company's assets and were owed approximately £3.3 million across the Group at the time the Company was placed into Administration. Huntington have received distributions totaling £225,000 from the Administration estate and will suffer a shortfall in respect of the Group's borrowing. There will be no further distributions to Huntington.
- Redcoat holds second ranking charges over the Company's assets. There are insufficient realisations to enable a distribution to Redcoat under the terms of their debenture.
- As the sale to the Purchaser did not include all parts of the Company's business, ten employees were subsequently made redundant. The Joint Administrators arranged for these employees to

make claims with the Redundancy Payments Service, however, as the Joint Administrators had paid their arrears of wages and holiday pay as an expense of the Administration, there were no additional preferential claims received in the Administration.

- Unsecured creditors who submitted claims totaling £1,729,293, received a dividend of 3p in the £ during the final period from the Prescribed Part of funds.

Please note, The Joint Administrators' previous progress reports and the Statement of Proposals issued to the Company's Creditors are available to view at <https://micro.kroll.com/ukrestructuring> and paper copies can be provided free of charge by writing to Aaron Banks at Aaron.Banks@kroll.com.

Unless otherwise stated, all amounts in this final progress report and appendices are stated net of VAT.

3. Progress of the Administration

This section provides a final update on the strategy for the Administration and progress made, including a summary of the information provided in previous progress reports and in the Joint Administrators' proposals.

3.1 Strategy and progress to date

The Company is part of the wider 'Addition Manufacturing Technologies' brand which had manufacturing and distribution facilities around the world.

The main reasons for the Company's failure were cash constraints across the wider Group of companies together with the crystallisation of a claim against the Company by the Receivers of AMT Canada in mid-2019. AMT Canada, which was wholly owned by the Company, was registered as an unlimited liability corporation, and in such cases, the shareholder is liable for unlimited amounts for any liability, act or default of the corporation.

Following their appointment, the Joint Administrators took the decision to trade the business whilst pursuing a going concern sale of the Company's business and assets, in order to achieve maximum realisations of the Company's assets, including completing work in progress from stock held at the Company's premises.

Continuing to trade the business, also helped to protect the Company's existing debtor book by offering a continued supply to customers.

Following the sale of certain of the Company's business and assets on 21 May 2020, the Joint Administrators continued to realise the Company's remaining assets and finalise realisations and costs in relation to the Joint Administrators' trading period.

Distributions have now been paid to the Company's Secured and unsecured creditors, and no funds now remain in the estate. The Joint Administrators are therefore taking steps to conclude the administration and to move the Company to dissolution.

The objective of achieving a better return for the Company's creditors as a whole than would have been achieved if the Company had been wound up without first being in administration, was realised following the sale of part of the Company's business and certain assets through the administration on a going concern basis. The sale protected the future value in the ongoing contracts and orders, enabled the Purchasers to assist with the collection of the debtors, and reduced potential employee claims with the transfer of certain employees to the Purchaser under TUPE regulations. It is also likely that realisation for the Company's assets would have been significantly less if they were sold on a break-up basis.

3.2 Administration Trading Period

During the period, the collection of monies due in respect of sales made during the Joint Administrators' trading period has been finalised bringing total sales receipts to £262,852.

The sum of £23,257 has been recovered from the Purchaser in respect of the apportionment of employees' wage costs under the terms of the sale agreement. A refund of insurance costs of £779 has further reduced the Joint Administrators' trading loss to £259,317.

Although trading has resulted in a loss to the estate, the overall position in the Administration has been enhanced as a result of the continued trading as it enabled the going concern sale of certain of the Company's business and assets as set out at 3.1.

3.3 Asset realisations

Realisations during the Final Period and for the entire Administration are set out in the attached receipts and payments account at Appendix 3.

Summaries of the most significant realisations during the Administration are provided below:

3.3.1 Sale of Business

The sale process was hampered as a result of the COVID-19 pandemic when the Company was forced to temporarily cease trading in March 2020 in line with government guidelines, with all staff being placed onto the Furlough scheme.

Due to uncertainty surrounding the business and the economy generally, lengthy negotiations between the interested parties, the Joint Administrators and the Company's management team resulted in a revised offer for part of the Company's business and certain assets from the Purchaser. This offer was recommended for acceptance by Sia. The sale was completed on 21 May 2020.

The sale consideration was for a total of £80,000, £40,000 of which was paid on the date of completion followed by five consecutive monthly instalments of £8,000, all of which were received in prior reporting periods. An analysis of the sale proceeds is as follows:

Asset	Consideration £
Equipment	11,000
Stock	68,996
Goodwill; Contracts; Intellectual Property and Computer Systems	4
Total	80,000

3.3.2 Debtors

As at the Appointment Date, the outstanding book debts totalled in excess of £3 million, however a significant proportion of this related to intra-group balances and, due to the insolvency of the Group and contra claims, were not recoverable.

The total collected from the ledger over the course of the Administration is £337,954. No further asset realisation are expected in respect of book debts.

3.3.3 Inventory and Work in Progress

The Company utilised its inventory and work in progress to facilitate ongoing trading requirements. Residual inventory and work in progress formed part of the sale agreement.

3.3.4 Cash at bank

As at the appointment date, £317,955 was held at the Company's bank and was duly transferred to the Administration estate.

3.3.5 Rates refund and Insurance refund

Rates and insurance refunds of £3,092 and £542 respectively were received during the Administration.

3.3.6 Investigations

The Joint Administrators reviewed the affairs of the Company to establish if there were any actions which could be taken against third parties to increase recoveries for Creditors, no issues were identified.

The Joint Administrators have filed their confidential report with BEIS regarding the conduct of the Directors of the Company.

There are no outstanding lines of enquiry.

3.4 Costs

Payments made in the Final Period and throughout the course of the Administration are set out in the attached receipts and payments account at Appendix 3.

Summaries of the most significant payments during the Administration are provided below:

3.4.1 Trading expenditure

The Joint Administrators traded the business over the period 23 December 2019 to 21 May 2020.

During the trading period, costs were incurred and are summarised at Appendix 3.

3.4.2 Licence Fee

During the Administration, the sum of £70,652 was received from the Purchaser in respect of the rent due under the licence to occupy agreement in respect of the Company's leasehold premises. This amount was subsequently paid to the landlord in respect of the rent due under the lease agreement between the landlord and the Company.

3.4.3 Debt Collection Costs

The Purchaser has been paid £26,150 in respect of assistance provided with collecting book debts. Fees were paid at a rate of 25% of debtor realisations, based on the debts the Purchasers were instrumental in collecting.

3.4.4 Insurance

Insurance costs of £1,302 were incurred in respect of insurance cover for the Company's assets.

3.4.5 Agents' fees

Sia were paid £500 in respect of the valuing the Company's physical assets during the Administration. .

3.4.6 Solicitors' fees

Gateley have been paid £45,209 in relation to assistance provided in dealing with the sale of the business and assets of the Company and other general legal matters.

3.4.7 Accountant's fees

Champion Business Advisory Limited, an independent firm of accountants, were paid £3,200 during the Final Period on a fixed fee basis to produce corporation tax returns relating to the Administration.

.3.5 Fees and expenses

The Joint Administrators have detailed the costs incurred during the 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

The Company granted a debenture to Huntington, which confers fixed and floating charges over all of the assets of the Company in March 2015. The debenture was cross guaranteed across the global Group.

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

Prior to the Final Period, the Joint Administrators have made distributions of £15,000 in respect of Huntington's fixed charge and £210,000 in respect of Huntington's floating charge. There will be no further distributions to Huntington.

4.1.2 Redcoat LLC

The Company granted a debenture to Redcoat, which confers fixed and floating charges over all of the assets of the Company in July 2017 and ranks behind the debenture granted to Huntington. The debenture is cross guaranteed across the global Group.

There were insufficient realisations to enable a distribution to Redcoat under the terms of its security.

4.2 Preferential Creditors

Claims for arrears of wages and holiday pay due to the Company's former employees totalling £4,775, which rank preferentially for dividend purposes, were settled directly by the Joint Administrators.

4.3 Non-Preferential Unsecured Creditors

A first and final dividend of 3p in the £ was declared on 9 December 2021 and was paid shortly thereafter to the Company's non-preferential unsecured creditors whose claims are summarised as follows:

Unsecured creditors	Books and Records £	Agreed Claims £
Inter Company Claims	1,129,409.94	1,063,198.04
Trade & Expense	264,790.56	459,735.97
Employee Claims	Nil	40,624.09
HMRC	Nil	110,378.36
Redcoat LLC	Unknown	55,356.20
Total	<u>1,394,200.50</u>	<u>1,729,292.66</u>

The value of the Prescribed Part for unsecured creditors totalled £56,250. After the deduction of costs associated with dealing with the Prescribed Part, the balance of £51,848 was distributed to the non-preferential unsecured creditors.

5. Other matters

5.1 Creditors' Committee

A creditor's committee was not established during the Administration.

5.2 Joint Administrators' Receipts and Payments account

A detailed receipts and payments account for the Final Period is shown at Appendix 3, together with a cumulative account for the whole of the Administration.

5.3 Creditors' rights

Further information regarding the remuneration and disbursements of the Joint Administrators, including Creditors' rights to challenge such costs is provided at Appendix 7, Statement of Creditors' Rights.

6. Fees, 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 and cumulative period are attached at Appendix 5.

Time costs incurred in the Final Period total £17,598, which represents 56 hours at an average hourly rate of £312.

Time costs incurred from the commencement of the Administration total £226,382, which represents 734 hours at an average hourly rate of £309.

The time costs have exceeded the estimate provided in the Joint Administrators' Statement of Proposals of £175,400, however, it was previously agreed that the Joint Administrators would not seek approval to increase their fees.

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

6.1.2 Fees

The Joint Administrators have drawn remuneration of £116,398, £66,398 of which has been charged in the Final Period in accordance with the fee approval. The amount shown as paid to the Joint Administrators in the attached receipts and payments account at Appendix 3 is £73,267.75. The balance of the fees due of £43,130.66 will be paid directly to Kroll by HMRC in respect of the VAT due to the Company.

It is anticipated that a further £1,000 of time costs will be incurred in bringing the Administration to a formal conclusion.

Details of the total fees drawn by Joint Administrators for the cumulative and reporting Period are detailed in the receipts and payments account attached at Appendix 3.

6.1.3 Expenses

Expenses are any payments from the Administration which are neither an Administrator's remuneration nor a distribution to a creditor or member. Expenses also include disbursements. Disbursements are

payments which are first met by the Administrator and then reimbursed to the Administrator from the Administration.

Expenses are divided into those that do not need approval before they are charged to the Administration (Category 1) and those that do (Category 2).

Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the Administrator.

Category 2 expense are payments to associates or which have an element of shared costs and require approval from creditors in the same manner as the Administrator's remuneration, whether paid directly from the estate or as a disbursement.

The Joint Administrators provided in their Proposals report to creditors an estimate of expenses for the Administration, totalling £53,674. This was for information purposes only and could possibly change over the course of the Administration. Creditors have been kept updated of any variations with associated reasons in previous Progress Reports.

Appendix 4 details the final update of the expenses estimate.

Appendix 4 also details the expenses incurred and paid for the Final Period and the whole of the Administration.

In the Final Period, Category 1 expenses of £29,821 were incurred and paid in full.

There were no Category 2 expenses incurred during the Final Period.

Category 2 expenses were paid in accordance with Secured Creditors' approval on 24 September 2020

For the whole period of the Administration, Category 1 expenses incurred totalled £153,233. Category 2 expenses incurred for the same period totalled £89 which were paid in full. No further expenses will be drawn.

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 expenses 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.

Pre-Administration costs totalling £30,000 paid prior to the Administration were paid by the Company with the approval of Huntington.

The payment of the outstanding pre-Administration costs of £44,734 was subject to the approval of the Secured creditors which was obtained on 24 September 2020.

Pre-Administration costs					
Supplier	Total Pre-Administration costs £	Paid Pre-Administration £	Unpaid Pre-Administration costs on appointment £	Paid As Administration expense £	Outstanding £
Kroll's Fees	44,027.25	15,000.00	29,027.25	-	29,027.25
Kroll's Disbursements	61.45	-	61.45	-	61.45
Gateley's fees	25,410.90	15,000.00	10,410.90	-	10,410.90
Gateley's Disbursements	277.00	-	277.00	-	277.00
SIA's fees	4,850.00	-	4,850.00	4,850.00	-
SIA's Disbursements	107.59	-	107.59	107.59	-
Total	74,734.19	30,000.00	44,734.19	4,957.59	39,776.60

7. Conclusion of the Administration

The Joint Administrators have now concluded the Administration. This is the Joint Administrators' final report on the Administration and no further reports will be issued.

The Joint Administrators will file a copy of this final progress report with the Registrar of Companies, together with the requisite notice to dissolve the Company.

The Administration will cease to have effect when the Registrar of Companies registers these documents. The Company will be automatically dissolved three months after that date.

The Joint Administrators will be discharged from liability in respect of any actions as Joint Administrators on the filing of this report with the Registrar of Companies.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against the Joint Administrators.

If you require further information or assistance, please do not hesitate to contact Aaron Banks at Aaron.Banks@Kroll.com.



Steven Muncaster
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Steven Muncaster and Andrew William Knowles, 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

Company and trading name	Addition Manufacturing Technologies U.K. Limited	
Date of incorporation	30 March 2006	
Registered Number	05762934	
Company Directors	Philip Thomas Aspinall Charles Gonzales	
Trading address	187-188 Bradkirk Place Walton Summit Centre Bamber Bridge Preston PR5 8AJ	
Registered office	Current: Kroll Advisory Ltd. The Chancery 58 Spring Gardens Manchester	Former: 187-188 Bradkirk Place Walton Summit Centre Bamber Bridge Preston PR5 8AJ

ADMINISTRATION INFORMATION

Administration Appointment	The Administration appointment granted in the High Court of Justice in Manchester, Business and Property Courts, Number 1348 of 2019	
Appointors	Company Directors	
Date of Appointment	23 December 2019	
Joint Administrators	Steven Muncaster Andrew Knowles (appointed on 16 June 2021) Sarah Bell (retired from office on 16 June 2021)	
Original purpose	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.	
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1.	
Current Administration expiry date	22 December 2021	
Prescribed part	The Prescribed Part is applicable in this case. It has been taken into account when determining the dividend prospects for Unsecured Creditors (Section 4.3).	
Application of EC Regulations	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.

*Note: This Appendix provides a copy of the Joint Administrators' Proposals as issued to creditors, hence Sarah Bell's inclusion as a current Joint Administrator. As has been explained in the body of this Progress Report, Sarah Bell was removed from office by way of a Block Transfer Order obtained on 16 June 2021. The Order also provided for the appointment of Andrew Knowles as replacement Joint Administrator. Pursuant to the Order, should the decision be made to place the Company into Creditors' Voluntary Liquidation or Compulsory Liquidation, the current Joint Administrators, Steven Muncaster and Andrew Knowles, will be proposed to act as Joint Liquidators.

Appendix 3 – Receipts and Payments account

Joint Administrators' Trading Account

	From 23/06/2021 To 21/12/2021	From 23/12/2019 To 21/12/2021
	£	£
POST APPOINTMENT SALES		
Sales	14,267.43	262,851.58
COVID-19 Government Grants	NIL	91,037.85
Purchaser's Repayment of Wages	<u>23,256.95</u>	<u>23,256.95</u>
	37,524.38	377,146.38
PURCHASES		
Direct Materials	NIL	31,878.01
	NIL	<u>(31,878.01)</u>
OTHER DIRECT COSTS		
Packaging Materials	NIL	2,020.85
Direct Labour	NIL	301,482.71
Staff Benefit Schemes	NIL	77,475.57
PAYE/NIC	NIL	<u>131,120.65</u>
	NIL	(512,099.78)
TRADING EXPENDITURE		
Employee Expenses	NIL	19,562.07
Heat & Light	NIL	11,042.66
Telephone	NIL	4,413.46
Carriage	NIL	5,749.70
Insurance	(779.46)	6,992.59
Professional Fees	NIL	300.00
Lease/HP Payments	NIL	35,497.62
Repairs & Maintenance	NIL	4,099.25
Sundry Expenses	NIL	59.40
Ransom Creditor Payments	NIL	1,803.65
Foreign Payroll Costs	NIL	1,620.44
Waste Management	NIL	296.38
Payroll Services	<u>NIL</u>	<u>1,048.00</u>
	779.46	(92,485.22)
TRADING SURPLUS/(DEFICIT)	<u>38,303.84</u>	<u>(259,316.63)</u>

Joint Administrators' Summary of Receipts & Payments

	From 23/06/2021 To 21/12/2021	From 23/12/2019 To 21/12/2021
	£	£
SECURED ASSETS		
Plant & Machinery (less o/s Finance)	NIL	15,000.00
	NIL	15,000.00
SECURED CREDITORS		
The Huntington National Bank	NIL	15,000.00
	NIL	(15,000.00)
ASSET REALISATIONS		
Bank Interest Gross	0.94	150.05
Cash at Bank	NIL	317,954.56
Debtors	(284.87)	337,953.98
Equipment and Machinery	NIL	11,000.00
Goodwill/Contracts/IP/Systems	NIL	4.00
Insurance Refund	NIL	542.01
Licence to Occupy Fee	NIL	70,652.40
Rates Refund	NIL	3,092.98
Stock	NIL	53,996.00
TRADING SURPLUS/(DEFICIT)	38,303.84	(259,316.63)
	38,019.91	536,029.35
COST OF REALISATIONS		
Accountants Fees	3,200.00	3,200.00
Agents disbursements pre insolvency	NIL	107.59
Agents fees pre insolvency	NIL	4,850.00
Agents/Valuers Fees	NIL	500.00
Bank Charges	86.86	458.86
Debt Collection Costs	26,150.15	26,150.15
Insurance of Assets	NIL	1,301.58
Joint administrators' disbursements	NIL	89.20
Joint administrators' remuneration	23,267.75	73,267.75
Legal Disbursements	NIL	18.00
Legal Fees	NIL	45,209.05
Licence Fee Paid to Landlord	NIL	70,652.40
Stationery & Postage	216.15	216.15
Statutory Advertising	99.45	186.93
Storage Costs	68.50	68.50
	(53,088.86)	(226,276.16)
PREFERENTIAL CREDITORS		
Employee Arrears/Holiday Pay	NIL	4,774.99
	NIL	(4,774.99)
FLOATING CHARGE CREDITORS		
The Huntington National Bank	NIL	210,000.00
	NIL	(210,000.00)
UNSECURED CREDITORS		
Dividend to Unsecured Creditors of 3 p in the £	51,847.54	51,847.54
	(51,847.54)	(51,847.54)
	(66,916.49)	43,130.66
REPRESENTED BY		
VAT Receivable		43,130.66

Appendix 4 – Analysis of Expenses Incurred

Joint Administrators' Expenses: comparison with estimate

Expenses	Original expenses estimate £	Actual expenses incurred in the Reporting Period £	Actual expenses incurred to date £	Reason for any excess
Accountants' fees	5,000.00	3,200.00	3,200.00	N/A
Agents' costs	7,500.00	Nil	5,457.59	N/A
Legal fees	40,000.00	Nil	45,227.05	Legal fees have exceeded the original estimate due to unforeseen issues which required additional legal counsel. Please note that this sum includes disbursements.
Statutory advertising	169.20	99.45	186.93	Statutory advertising costs have exceeded the original estimate as standard costs for placing adverts has increased.
Storage	450.00	68.50	68.50	N/A
Bonding	225.00	Nil	225.00	N/A.
Subsistence	100.00	Nil	19.00	N/A
Ground travel	230.00	Nil	70.20	N/A
Debt collection costs	Nil	26,150.15	26,150.15	The Purchasers were paid commission of 25% in respect of book debts they assisted in collecting. This agreement was not envisaged at the time the initial costs estimate was produced.
Bank charges	Nil	86.86	458.86	The Joint Administrators did not have sufficient information to provide an estimate of bank charges at the outset. Costs incurred over the Administration are reasonable and in line with costs in similar cases.
Insurance	Nil	Nil	1,301.58	The Joint Administrators did not have sufficient information at the outset to provide an estimate of insurance costs. As such, these were not included in the initial estimate.
Rent/ License fee	Nil	Nil	70,652.40	Although the fee is shown as an expense of the administration, the Purchaser paid an amount equivalent to this cost to the Administrators to meet the cost of the rent. The net effect to the Administration is therefore nil.
Stationary and postage	Nil	216.15	216.15	Mailing costs incurred have exceeded the initial estimate.
TOTAL	53,674.20	29,821.11	153,233.41	

Notes

The above costs exclude VAT

Joint Administrators' Expenses: Category 1 and Category 2

Category 1 Expenses			Reporting Period		Cumulative period	
Supplier	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Champion Business Advisory Ltd	Accountant's fees	Fixed Fee	3,200	3,200	3,200	3,200
SIA Group	Agents disbursements pre-insolvency	Fixed Cost	Nil	Nil	108	108
SIA Group	Agents fees pre-insolvency	Time costs	Nil	Nil	4,850	4,850
SIA Group	Agents / valuers fees	Time costs	Nil	Nil	500	500
AON UK	Statutory bond premium	Fixed premium	Nil	Nil	225	225
Barclays Bank Plc/ Insolvency Services	Bank charges	Fixed Fee	87	87	459	459
Addison Forming Technologies Limited	Debt Collection Costs	25% of Realisations	26,150	26,150	26,150	26,150
Garratts Insurance Brokers	Insurance of assets	Fixed fee	Nil	Nil	1,302	1,302
Gateley UK LLP	Legal disbursements	Fixed Cost	Nil	Nil	18	18
Gateley UK LLP	Legal fees	Time costs	Nil	Nil	45,209	45,209
AME Property Holdings Ltd	Rent	Fixed fee	Nil	Nil	70,652	70,652
Courts Advertising Ltd	Statutory advertising	Fixed fee	99	99	186	186
Accurate Mailing	Postage and Stationery	Fixed Fee	216	216	216	216
Total Data Management	Storage costs	Fixed Fee	69	69	69	69
Total			29,821	29,821	153,144	153,144

Category 2 Expenses			Reporting Period		Cumulative period	
Company	Activity	Fee Basis	Incurred (£)	Paid (£)	Incurred (£)	Paid (£)
Kroll	Staff mileage to the Company's premises	Fixed	Nil	Nil	70.20	70.20
Kroll	Subsistence	Fixed	Nil	Nil	19.00	19.00
Total			Nil	Nil	89.20	89.20

Notes

The above costs exclude VAT

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 the basis of their fee.

Kroll Advisory Ltd being the employer of the Joint Administrators and the staff working on the Administration, is considered an associate of the Administrators.
It is considered that these expenses are fair and reasonable and proportionate to the Administration.

Appendix 5 – Analysis of time charged

Joint Administrators' Fees

Addition Manufacturing Technologies Limited (In Administration)

Analysis of the Joint Administrators' time costs for the Final Period

Classification of Work Function	Hours				Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant			
Administration & Planning							
Case review & Case Diary management	0.50	0.00	0.30	2.65	3.45	945.50	274.06
Cashiering & accounting	0.00	2.60	1.55	4.40	8.55	2,854.50	333.86
Statutory matters (Meetings & Reports & Notices)	1.00	3.95	3.45	9.40	17.80	5,707.50	320.65
Strategy planning & control (incl engagement finan	0.00	2.10	2.85	1.55	6.50	2,741.00	421.69
Closings	0.00	0.30	0.00	0.00	0.30	153.00	510.00
General Administration	0.00	0.00	0.00	0.25	0.25	47.50	190.00
Treasury Matters	0.00	0.00	0.40	0.20	0.60	228.00	380.00
Creditors							
Dealings with creditors and employees	0.00	3.10	0.00	5.95	9.05	2,429.50	268.45
Non Pref Creditor claims adjudication & distn	0.00	2.10	0.65	2.90	5.65	1,623.50	287.35
Non Pref Creditors / Employee claims handling	0.00	0.00	0.20	0.45	0.65	163.50	251.54
Pref claims adjudication & distribution	0.00	0.00	0.00	0.50	0.50	95.00	190.00
Secured Creditors	0.00	0.00	0.15	0.00	0.15	58.50	390.00
Creditor Correspondence	0	0	0	2.9	2.9	551	190.00
Total Hours	1.50	14.15	9.55	31.15	56.35		312.30
Total Fees Claimed (£)	975.00	6,918.00	3,692.50	6,012.50		17,598.00	

Addition Manufacturing Technologies Limited (In Administration)

Analysis of the Joint Administrators' time costs for the Cumulative Period

Classification of Work Function	Hours				Total Hours	Time Cost (£)	Avg. Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant			
Administration & Planning							
Case review & Case Diary management	2.00	0.00	4.60	11.20	17.80	5,148.75	289.26
Cashiering & accounting	3.30	32.80	17.05	71.30	124.45	38,847.75	312.16
IPS set up & maintenance	0.00	0.00	0.35	1.25	1.60	328.25	205.16
Insurance	0.00	0.00	0.80	1.10	1.90	487.75	256.71
Statutory matters (Meetings & Reports & Notices)	11.80	4.20	31.90	63.20	111.10	32,568.50	293.15
Strategy planning & control (incl engagement finan	0.00	14.30	43.60	9.20	67.10	24,321.75	362.47
Tax Compliance / Planning	2.50	0.00	1.30	17.95	21.75	5,542.50	254.83
Closings	0.00	0.30	0.00	0.00	0.30	153.00	510.00
General Administration	0.00	0.00	0.00	0.25	0.25	47.50	190.00
Creditors							
Dealings with creditors and employees	1.15	4.10	6.25	42.20	53.70	12,688.25	236.28
Non Pref Creditor claims adjudication & dist'n	0.00	2.10	0.65	3.10	5.85	1,661.50	284.02
Non Pref Creditors / Employee claims handling	0.00	0.00	1.95	24.95	26.90	5,548.00	206.25
Pref claims adjudication & distribution	0.00	0.00	0.00	1.30	1.30	239.00	183.85
Secured Creditors	1.00	0.00	12.25	0.50	13.75	5,344.00	388.65
Creditor Correspondence	0.00	0.00	0.00	2.90	2.90	551.00	190.00
Investigations							
CDDA & reports & Communication	1.00	0.00	3.25	23.65	27.90	6,570.00	235.48
Realisation of Assets							
Book debts	0.00	0.00	5.85	3.20	9.05	2,724.50	301.05
Freehold and Leasehold Property	1.40	0.00	5.35	0.00	6.75	2,996.50	443.93
Other Tangible Assets	0.00	0.00	0.00	0.80	0.80	152.00	190.00
Sale of business	0.00	7.30	70.95	0.20	78.45	27,908.50	355.75
Trading							
Trading - Accounting	2.20	1.50	22.90	13.20	39.80	12,103.25	304.10
Trading - Employees	0.00	0.00	6.70	6.75	13.45	3,549.50	263.90
Trading - Insurance	0.00	0.00	0.75	0.00	0.75	247.50	330.00
Trading - Operations	9.70	4.80	77.25	9.35	101.10	35,380.75	349.96
Trading - Retention of Title & Claims handling	0.00	0.40	3.70	0.00	4.10	1,271.50	310.12
Total Hours	36.05	71.80	317.40	307.55	732.80		308.93
Total Fees Claimed (£)	23,432.50	34,519.75	109,727.50	58,929.75		226,381.50	

Appendix 6 – Narrative of work carried out for the period from 23 June 2021 to 21 December 2021

The key areas of work have been:

SIP 9 narrative for the Cumulative Period

Administration and planning	<ul style="list-style-type: none"> • Monitoring and reviewing the Administration strategy; • Briefing staff on the Administration strategy and matters in relation to workstreams; • Reviewing and authorising junior staff correspondence and other work; • Dealing with queries arising during the appointment; • Reviewing matters affecting the outcome of the Administration; • Complying with internal filing and information recording practices, including documenting strategy decisions; • Ensuring compliance with all statutory obligations within the relevant timescales; • Uploading information to the Creditors' website; • Preparing statutory receipts and payments accounts; • Renewing bonding and complying with statutory requirements; • Reviewing costs incurred to ensure recorded accurately; • Drafting and preparing this progress report; • Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9; • Monitoring the fee estimate; • Monitoring the expenses estimate; • Working on tax returns relating to the periods affected by the Administration; • Analysing VAT related transactions • Dealing with post appointment tax compliance.
Creditors	<ul style="list-style-type: none"> • Updating the list of Unsecured Creditors; • Responding to enquiries from Creditors regarding the Administration and submission of their claims; • Reviewing completed forms submitted by Creditors, recording claim amounts and maintaining claim records; and • Drafting progress statutory progress reports. • Providing written and oral updates to the Secured Lenders regarding the progress of the Administration and cases strategy; and • Arranging a first and final dividend payment to unsecured creditors.
Statutory and compliance	<ul style="list-style-type: none"> • Ensuring compliance with all statutory obligations within the relevant timescales; • Uploading information to the Creditors' Portal/Website; and • Drafting and publishing progress reports.
Cashiering	<ul style="list-style-type: none"> • Preparing statutory receipts and payments accounts; • Renewing bonding and complying with statutory requirements;
Asset realisations	<ul style="list-style-type: none"> • Finalising book debt collections.
Trading	<ul style="list-style-type: none"> • Raising payments to suppliers in respect of Administration costs; 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 Aaron Banks at Aaron.Banks@kroll.com.

Information for Creditors on remuneration and expenses of Administrators

Information regarding the fees and expenses of Administrators, including details of the expenses policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "Administration: A Creditor's Guide to Insolvency Practitioner Fees". This can be viewed and downloaded from the website at:

<https://www.duffandphelps.co.uk/services/disputes-and-investigations/restructuring/corporate-restructuring/creditor-guides-and-employee-fact-sheets>.

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 expenses 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 are 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 Aaron Banks at Aaron.Banks@kroll.com

Appendix 8 – Definitions

Word or Phrase	Definition
Agents/SIA	SIA Group UK, independent agents who were instructed to value and sell the business and assets of the Company
AMT Canada	Addition Manufacturing Technologies Canada ULC
AMT LLC	Addition Manufacturing Technologies LLC – based in USA
AMT Mexico	Addition Manufacturing Technologies Mexico
The Act	The Insolvency Act 1986 (as amended)
Appointment Date	23 December 2019, being the date of appointment of the Joint Administrators
Category Two Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
Company	Addition Manufacturing Technologies U.K. Limited (In Administration)
Cumulative Period	The period from 23 December 2019 to 21 December 2021
Directors	Philip Aspinall and Charles Gonzales
EC Regulation	EC Regulation on Insolvency Proceedings 2000
Final Period	The period from 23 June 2021 to 21 December 2021
Gateley /Solicitors	Gateley PLC, independent third-party solicitors instructed by the Joint Administrators
Group	The Company / AMT Canada / AMT LLC / AMT Mexico and other AMT entities
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
HMRC	HM Revenue and Customs
Joint Administrators	Steven Muncaster, Andrew Knowles (appointed on 16 June 2021); Sarah Bell (removed from office on 16 June 2021) of Kroll Advisory Ltd, The Chancery, 58 Spring Gardens, Manchester, M2 1EW
Kroll	Kroll Advisory Ltd
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
Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals dated 13 February 2020

Purchaser	Addison Forming Technologies Limited.
Redcoat	Redcoat LLC (as Security Trustees), being the holder of a fixed and floating charge over the Company's assets
Reporting Period	The period from 23 June 2021 to 21 December 2021
The Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
Secured Creditors	Huntington and Redcoat
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SOA	Statement of Affairs, documentation to be supplied by the Director outlining the Company's financial position as at the Appointment Date

Appendix 9 – Notice about this report

This report has been prepared by Steven Muncaster and Andrew William Knowles, the Joint Administrators of the Company, solely to comply with their statutory duty to report to Creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of 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 (England and Wales) Rules 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.

Steven Muncaster and Andrew William Knowles 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, Kroll Advisory 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.