

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

Name of Company
Cardale Doors Limited

Company number
00926537

In the High Court
(full name of court)

Court case number
16369 of 2009

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

I/We (a) Simon Thomas
Moorfields Corporate Recovery LLP
88 Wood Street
London
EC2V 7RS

Fred Satow
Moorfields Corporate Recovery LLP
88 Wood St
London
EC2V 7RS

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

having been appointed administrator(s) of (b) Cardale Doors Limited
88 Wood Street London

(c) Insert date of
appointment

on (c) 14 July, 2009

(d) insert name of
appointor/applicant
(e) Insert name(s)
and address(es) of
liquidator(s)

by (d) High Court

hereby give notice that

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is
proposed that (e) Simon Thomas and Fred Satow of Moorfields Corporate Recovery LLP, 88 Wood
Street, London, EC2V 7RS
will be the liquidator(s) of the company (IP No(s) 8920 and 8326)

We attach a copy of the final progress report

Signed

Joint / Administrator(s)

Dated

11/02/10

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 put on the public register

Simon Thomas
Moorfields Corporate Recovery LLP
88 Wood Street
London
EC2V 7RS

DX Number

0208 528 1090
DX Exchange



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13/02/2010

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COMPANIES HOUSE

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

SATURDAY

Our ref CARD002/ST/FS/AK/BF/ADM 16 010
Your ref

Contact Matthew Parr on 020 8528 1838

To All Creditors

11 February 2010

Dear Sirs



COMPANIES HOUSE

Cardale Doors Limited ("The Company") – In Administration

In accordance with Rule 2.47 and 2.110 of the Insolvency Rules 1986, I would like to provide creditors with my final progress report following my appointment as Joint Administrator on 14 July, 2009.

In accordance with the proposals dated 3 September 2009, I am now in a position to move the Company into Creditors' Voluntary Liquidation ("CVL") and for the Joint Administrators ("the Administrators") to be discharged and released from office.

Details of the steps taken during the Administration, assets still to be realised and the outcome of the Administration are set out below.

Statutory Information

Statutory information relating to the Company and the appointment is attached to this report as Appendix I.

You are aware that at the meeting of creditors held on 21 September 2009 the Joint Administrators' proposals for achieving the purpose of the Administration were approved by creditors and a Creditors Committee was formed.

Administration strategy

The strategy of the Administration was outlined in detail in my initial report to creditors. I would summarise as follows:

The objective of the Administration was to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

The purpose of the Administration was achieved since the sale of the business as a going concern resulted in higher realisations than would have been achieved upon winding up.

Administrators' accounts

The Administrators' account for the period 14 July, 2009 to 10 February 2010 is attached at

Appendix II. I would comment specifically on the changes since my last report.

Trade Debtors

Pre appointment and post appointment trade debtors amounting to £3,554,293 and £371,316 respectively have now been realised

A specialist debt collection agency has been instructed to assist with collecting the remaining realisations

Purchases

Trade creditors for the post appointment trading period have now been paid and total £543,722

Retention of Title ("ROT")

Payment in respect of ROT have been finalised at £187,738

Outcome to creditors

Secured Creditors

KBC Business Capital, the Company's principle debenture holder has a fixed charge over the pre and post appointment book debts. KBC has been repaid £3,367,387 under their fixed charge

Preferential creditors

No distributions were made during the Administration to Preferential creditors as it was considered that a subsequently appointed liquidator could better deal with this. It is envisaged that preferential creditors will be repaid in full, however this will be subject to the final claims received

Unsecured creditors and the Prescribed Part

The total amount of unsecured claims in Administration to date is £3,081,449.77, which includes employee claims for pay in lieu of notice and redundancy pay

No distribution was made to the unsecured creditors during the Administration as the Administrators considered it more appropriate to deal with this through a liquidation process

As previously reported, I am required to set aside an "Unsecured Creditors Fund" out of the Company's net floating charge realisations. The Prescribed part is set aside in accordance with section 176A of the Insolvency Act 1986

In addition it is anticipated that there will be an amount available following the full repayment of the preferential creditors and the secured lenders under their floating charges

End of Administration

The Administrators' proposals, approved by creditors at the initial meeting held pursuant to paragraph 49 of Schedule B1 of the Act, included the provision to end the Administration through a move into Creditors' Voluntary Liquidation within 5 months of the initial creditors meeting that was held on 21 September 2009. Furthermore no nominations for the appointment as liquidator were received and as such in accordance with paragraph 83(7) of Schedule B1 of the Act the current Administrators will become the liquidators

Enclosed with this report is a Form 2 34B, Notice of move from Administration into Creditors' Voluntary Liquidation. The Administration will cease to be effective from the date the above form is filed at Companies House. In accordance with the resolution passed by creditors at the initial meeting the Administrators' release from liability will take effect within 14 days of the filing of Form 2 34B.

Remuneration

At the initial meeting of creditors held pursuant to paragraph 49 of Schedule B1 of the Act a Creditors Committee was formed. It was resolved that the Administrators' proposals relating to their remuneration be approved to the value of £344,468.75 + VAT. This provided for the Administrators to be remunerated with reference to time properly spent in dealing with this matter on a time cost basis.

The Administrators' time costs to date amount to £ 690,919.12 plus disbursements of £1,550.40. In accordance with Statement of Insolvency Practice 9 I have attached a breakdown of these time costs at Appendix III. No remuneration or disbursements have been drawn to date.

Further Information

This is the final report you will receive on this matter but should you have any queries please do not hesitate to contact Matt Parr of this office.

Yours faithfully
For and on behalf of
Cardale Doors Limited



S R Thomas
Joint Administrator

DDI 020 8528 1090
Fax 020 8528 1290
Email mparr@moorfieldscr.com

Simon Thomas and Fred Satow of Moorfields Corporate Recovery LLP, 88 Wood Street, London, EC2V 7RS were appointed Joint Administrators on 14 July, 2009. The Administrators now manage the affairs, business and property of the company. The Administrators act as agents only and without personal liability.

Statutory Information**Company Information**

Company Name	Cardale Doors Limited
Company Number	00926537
Registered Office	88 Wood Street, London, EC2V 7RS
Trading Address	Cardale Doors Limited Unit 6 Dalroad Industrial , Dallow Road, Luton, Bedfordshire

Appointment details

Administrators	Simon Thomas and Fred Satow
Administrators' address	Moorfields Corporate Recovery LLP, 88 Wood Street London EC2V 7RS
Date of appointment	14 July, 2009
Court	High Court
Court Reference	16369/2009
Appointed by	KBC Business Capital
Functions	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone
EC Regulations	The Company's registered office is from where the Company carries on its business. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom and as such these proceedings will be the main proceedings as defined in article 3 of the EC regulation as
Extensions	The Administrators have not sought an extension to the period defined by Paragraph 76(1) of Schedule B1 of the Act that provides for the automatic end of the Administration after 12 months from the date of appointment

**Cardale Doors Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
14 July to 11 February 2010**

RECEIPTS	Total (£)
KBC post appointment facility	773,411 03
Post appointment debtor collections	371,316 79
Cash sales	1,885 78
Telephone/Broadband	342 96
Plant & Machinery	78,000 00
Goodwill	99,995 00
Contracts	1 00
Pre appointment debtor collections	3,554,293 02
Fixtures and fittings	25,000 00
Company IPR	1 00
Know how	1 00
Marketing information	1 00
Repair claims	1 00
Furniture & Equipment	10,000 00
Motor Vehicles	15,000 00
Moulds	1,000 00
Stock/WIP	397,185 13
Sundry receipts	79 52
Refund of Lease payments	338 13
Cash at Bank	15,753 89
Debtor Contributions	2,808 85
Bank Interest Gross	100 90
Vat Payable	43,779 30
	<hr/>
	5,390,295 30

PAYMENTS

Purchases (1)	543,722 72
Direct Labour	356,768 80
Rates	2,139 22
Heat & Light	21,780 93
Payroll services	525 00
Intercompany loans	80,000 00
Group recharge	187,123 49
Rent and service charge	6,321 42
Employee Attachment of Earnings Order	477 90
Legal Fees	3,965 00
Debt Collection Fees	4,508 09
KBC pre appointment ledger	2,940,373 93
KBC post appointment ledger	427,014 30
Specific Bond	2,294 00
Tax advice fees	1,000 00
Legal Fees (1)	17,959 21
ROT settlement	187,738 47
Statutory Advertising	333 72
Bank Charges	20,194 51
Meeting room hire	180 00
Vat Receivable	80,328 47
Petty cash	283 19
Transfer to Liquidation	505,262 93
	<hr/>
	5,390,295 30
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Balance	0 00

APPENDIX III

Time & Cost Summary

Cardale Doors Limited

From: 14/07/2009 To: 11/02/2010

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	29 50	94 08	369 56	236 86	730 00	140,193 80	192 05
Asset Realisation	77 32	209 43	549 36	70 50	906 61	209,799 47	231 41
Case Specific Matters	0 00	2 00	4 17	0 00	6 17	1,307 51	211 91
Chargeable - expenses	0 24	2 86	0 00	4 74	7 84	1,550 40	197 76
Creditors	39 08	48 83	202 49	12 17	302 57	66,393 55	219 43
Investigations	9 25	28 50	8 20	0 00	45 95	14,533 00	316 28
Non-chargeable - expenses	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading	52 50	273 71	837 01	96 25	1,259 47	256,841 39	203 93
Total Hours	207.89	660.41	1,970.78	420.52	3,259.60	690,919.12	211.96
Total Fees Claimed:						0.00	

Appendix III

Explanation of office-holders charging and disbursement recovery policies

Appendix III of this report outlines the time costs to date in relation to activities undertaken during this matter.

1.1 Administration and planning

The following activities have been undertaken

- Statutory duties associated with the appointment including the filing of relevant notices,
- Notification of the appointment to creditors, members, employees and other interested parties,
- Setting up case files,
- Reviewing available information to determine appropriate strategy,
- Setting up and maintaining bank accounts,
- Implementing the strategy for the Administration,
- 6 monthly progress review of the case and final Administration report to creditors,

Staff at different levels were involved in the above activities depending upon the experience required

1.2 Realisation of assets

Appendix II shows the realisations made for the benefit of the creditors. In this case the assets belonging to the company were as follows,

- Goodwill
- Fixtures & Fittings
- Motor Vehicles
- Furniture & Equipment
- Cash on appointment
- Bank Interest
- Refunds

The time spent includes the following matters

- Identifying and contacting potential interested parties, with the assistance of our agents,
- Dealing with expressions of interest received and progression with the ultimate sale of assets,
- Dealing with solicitors and reviewing sale agreement,
- Meeting with BRP Group Limited and ensuring due diligence and sale completion undertaken

1.3 Creditors

The time spent includes the following matters

- Recording and maintaining the list of creditors,
- Dealing with employee related matters,
- Employee communications and liaising with government agencies to facilitate employee claims for unpaid entitlements,
- Recording creditor claims,
- Reporting to creditors,
- Dealing with creditor queries,

1.4 Investigations

- Investigations into Company's affairs prior to commencement of Administration,
- Reviewing Company books and records, including accounts and bank statements,
- Corresponding with directors and issuing and reviewing directors' questionnaires,
- Completion of Directors' Conduct Report and submission to Insolvency Compliance Unit at BIS in accordance with Company Directors Disqualification Act 1986

1 5 Trading

The time spent comprises

- Trading the business for a period of six weeks,
- Monitoring turnover and expenditure,
- Ensuring trade suppliers corresponded with and accounts settled,
- Employee issues,
- Liaising with potential purchasers

Due to the complex nature and importance of the continuation of trade, the staff utilised to conduct such work involved experienced members of staff

1 6 Time recording

Time properly incurred on cases is charged to the assignment at the hourly rate prevailing at the time The current hourly charge out rates are outlined below

	£
Partners	440
Managers	300-325
Assistant Managers	225
Senior Administrators	200-220
Administrators	125-185
Cashiers	140
Secretarial and support staff	70

For your information, a Creditors Guide to Administrators' fees is enclosed

1 7 Disbursement recovery

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling, postage, photocopying, statutory advertising and other expenses made on behalf of the assignment

These expenses are detailed as follows -

- Company searches Searches are obtained by the firm's company secretarial department and are charged at the cost of the search plus an administration charge, which is currently 25% of cost, subject to a minimum administration charge of £5 00
- Meeting room charge for statutory meetings, charged at £100 per meeting summoned
- Document storage - £25 70 per box
- Mileage allowances are paid at HM Revenue & Customs approved rates For personnel using their own vehicles these are currently 40p per mile for the first 10,000 miles and 25p per mile thereafter
- Stationery and postage charge for sending out circulars - £35 00 for the first 25 creditors and £20 00 for the next ten creditors or part thereof

It should be noted that disbursements costs might increase from time to time, however, increases should only be in line with inflation or increases from our supplier No indirect charges (category 2 disbursements) are to be charged to this matter

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES 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 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 fix the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights 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 order to consider his proposals. The administrator must call the first meeting of the committee within 6 months 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 could. 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 put 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 a 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. When subsequently reporting to creditors on the progress of the administration, or submitting his final report, he 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 out of the assets of the insolvent company.

7 What if the administrator is dissatisfied?

If the administrator considers that the remuneration fixed by the 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 or in accordance with the official receiver's scale 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 committee and the committee may nominate one or more of its members to appear or be represented at the court hearing. If there is no committee the administrator's notice of his application must be sent to such of the 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 out of the assets.

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. 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.

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