

The Insolvency Act 1986

Notice of move from administration to dissolution**2.35B**

Name of Company

INDUSTRIAL MAINTENANCE PRODUCTS LIMITED

Company number

01332080

In the High Court of Justice
Manchester District Registry
Chancery DivisionCourt case number
1407 of 2009(a) Insert name(s) and address(es) of administrator(s)
I / We (a) J M Tittley & A Poxon of Leonard Curtis
Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG(b) Insert name and address of registered office of company
having been appointed administrator(s) of (b) INDUSTRIAL MAINTENANCE PRODUCTS LIMITED
DTE House, Hollins Mount, Bury, Lancashire BL9 8AT

(c) Insert date of appointment

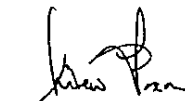
(d) Insert name of applicant / appointor

on (c) 19 May 2009 by (d) Directors

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 apply

I / we attach a copy of the final progress report

Signed



Joint / Administrator(s)

Dated 16 November 2010

Contact Details

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

Leonard Curtis

Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG

19/KL

Tel 0161 767 1250

DX Number

DX Exchange

THURSDAY



RRJICP7R

RM

18/11/2010

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COMPANIES HOUSE

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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**INDUSTRIAL MAINTENANCE PRODUCTS LIMITED
(IN ADMINISTRATION)**

**Joint Administrators' Third and Final Progress Report
for the period 19 May 2009 to 16 November 2010**

16 November 2010

Leonard Curtis
Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG
Tel 0161 767 1250 Fax 0161 767 1240

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INDUSTRIAL MAINTENANCE PRODUCTS LIMITED– IN ADMINISTRATION

STRICTLY PRIVATE AND CONFIDENTIAL
NOT FOR PUBLICATION

TO: THE REGISTRAR OF COMPANIES
THE COURT
ALL CREDITORS
ALL MEMBERS

1 STATUTORY INFORMATION

- 1.1 John Titley and I were appointed Joint Administrators of Industrial Maintenance Products Limited ("the Company") in the jurisdiction of the High Court of Justice, Manchester District Registry, number 1407 of 2009 on 19 May 2009. The administration application was made by the directors of the Company.
- 1.2 The Administration is being handled by Leonard Curtis' Bury office, which is situated at Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG.
- 1.3 The trading address of the Company was New Britannia Works, Hulme Road, Radcliffe, Manchester, M26 1EY.
- 1.4 The Company's registered office address at the date of the appointment of administrators was New Britannia Works, Hulme Road, Radcliffe, Manchester, M26 1EY. This was subsequently changed to the administrators' office at DTE House, Hollins Mount, Bury, Lancashire BL9 8AT on 2 June 2009. The Company's registered number is 01332080.
- 1.5 The functions of the Administrators may be exercised by either or both, acting jointly or alone.

2 PROGRESS OF THE ADMINISTRATION

- 2.1 Attached at Appendix A is the Joint Administrators' receipts and payments account for the period from 19 May 2009 to 16 November 2010.

2.2 Sale of Business

Creditors will be aware that the Joint Administrators were able to complete a going concern sale of the business to General Business Services 2 Limited ("the purchaser"), a Company connected by way of a common shareholder. This Company later changed its name to IMP Chemicals Limited.

The agreed sales consideration was £175,000 which was apportioned as follows:

	£
Stock/WIP	60,000.00
Goodwill	40,000.00
Plant and machinery	75,000.00
	<u>175,000.00</u>

A sum of £25,000 was paid upon completion and £150,000 was payable by 5 monthly instalments of £30,000 each. To date £100,000 has been received. A sum of £75,000 remains outstanding. This will now be reassigned to the National Westminster Bank plc ("Nat West") as the funds would, on receipt, be payable to the bank under its security.

2.3 Debtors

Lloyds TSB Commercial Finance Limited ("Lloyds") provided an invoice finance facility which was secured by a fixed charge over the debtors and floating charges over all the assets. At the date of appointment the gross ledger equated to £606,567 with an approved ledger of £372,339. Collections to date equate to £324,917. At the date of appointment Lloyds were owed £308,824 prior to charging interest and fees. Lloyds have been repaid in full out of debtor realisations in this instance. There will be no surplus made available to the administrators as this will be used to cover interest and termination fees applied by Lloyds under the terms of its security.

3 ASSETS STILL TO BE REALISED

- 3.1 No further realisations are expected in the administration. The outstanding deferred consideration will be assigned to Nat West.

4 JOINT ADMINISTRATORS' REMUNERATION

- 4.1 The secured creditors have approved that the basis of the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Administration. This has been capped at £15,000 by Nat West.
- 4.2 The Joint Administrators' time costs at 31 October 2010 are £19,230.50. This represents 100 hours at an average rate of £192.31 per hour. Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during this period.
- 4.3 The time analysis at Appendix B does not include a sum of £4,059.00 which was incurred in the period prior to our appointment on 19 May 2009, which creditors are not required to approve. This time has been written off.
- 4.4 To date £15,000 has been drawn on the account. No further time costs will be taken, and all remaining time will be written off.
- 4.5 Attached as Appendix C is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

5 OUTCOME FOR CREDITORS

5.1 Secured Creditors

The third purpose of administration has been achieved in this instance, this being the realisation of property in order to make a distribution to one or more secured or preferential creditors. In this instance Lloyds hold a debenture dated 7 June 2001 which incorporates fixed and floating charges over all Company assets. Lloyds have been repaid in full from debtor realisations. A termination fee of £45,000, as per their agreement, will be paid on finalisation.

Nat West also has a debenture dated 29 May 2002 and is a creditor in the sum of £645,000 at the date of administration. A sum of £38,830.44 will be paid to Nat West on finalisation. Nat West will also be part repaid from the outstanding sales consideration in the sum of £75,000, which will be reassigned to them. Any shortfall to Nat West has been guaranteed by an associated business and personally by the directors.

5 2 Prescribed Part

The administrators are required by law, subject to certain rules, to set aside a proportion of the funds which would normally be paid to the floating charge holder under the terms of its security, for the benefit of unsecured creditors. This is known as the "Prescribed Part" where the charge is created after 15 September 2003. In this instance, given that the security granted by the Company predates the Enterprise Act, there is no requirement to calculate a prescribed part.

5 3 Preferential Creditors

With effect from 15 September 2003 preferential status has been abolished for debts owing to HM Revenue and Customs. Such debts rank alongside other unsecured non-preferential creditors' claims. The claims which remain preferential are those of employees in respect of wages (up to £800 per employee) and holiday pay. As detailed in 2.2 above it was possible to achieve a sale of the business and assets as a going concern in this instance. It was also possible to transfer the employees to the purchaser under TUPE regulations. Accordingly a preferential claim is not expected from the Redundancy Payments Office.

5 4 Unsecured Non Preferential Claims

There are insufficient funds to enable a distribution to unsecured non preferential creditors. This statement is being made in accordance with paragraph 52 (1)(b) of schedule B1 of the Insolvency Act 1986.

6 ENDING THE ADMINISTRATION

6 1 We are now in a position to finalise the administration.

6 2 The proposals deemed approved by creditors and the resolutions modified and approved by the secured creditors are attached at Appendix D.

6 3 As there are no funds available for distribution to the unsecured creditors, it is now appropriate to dissolve the Company.

6 4 Attached at Appendix E is a copy of Form 2.35B, Notice of Move from Administration to Dissolution. The Joint Administrators' appointment will cease upon registration of Form 2.35B by Companies House.

6 5 The Joint Administrators will be discharged from liability immediately upon their appointment as Administrators ceasing to have effect.

For and on behalf of
INDUSTRIAL MAINTENANCE PRODUCTS LIMITED



A POXON
JOINT ADMINISTRATOR
16 November 2010

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
19 MAY 2009 TO 16 NOVEMBER 2010**

	Per Statement of Affairs £	Administrators' Realisations £	Final Transactions £	Final Outcome £
RECEIPTS				
Stock/WIP	60,000 00	25,000 00	35,000 00	60,000 00
Goodwill	40,000 00	-	40,000 00	40,000 00
Plant and machinery	75,000 00	75,000 00	-	75,000 00
Debtors subject to finance	372,000 00	324,917 30	10,000 70	334,918 00
Deposit interest gross	-	17 95	-	17 95
	<u>547,000 00</u>	<u>424,935 25</u>	<u>85,000 70</u>	<u>509,935 95</u>
PAYMENTS				
Solicitors' Fees & Expenses		5,005 00	-	5,005 00
Administrators' Disbursements		58 80	-	58 80
Administrators' Remuneration		15,000 00	-	15,000 00
Agents' Fees & Expenses		3,036 30	-	3,036 30
Debt Collection Expenses		2,500 00	-	2,500 00
Statutory Advertising		75 60	-	75 60
Sundry Expenses		75 00	-	75 00
Bordereau Fee		400 00	-	400 00
		<u>(26,150 70)</u>	<u>-</u>	<u>(26,150 70)</u>
DISTRIBUTIONS				
Lloyds – Book Debts		(324,954 81)	(45,000 00)	(369,954 81)
Secured Creditor (NatWest)		-	(113,830 44)	(113,830 44)
		<u>(324,954 81)</u>	<u>(158,830 44)</u>	<u>(483,785 25)</u>
BALANCE IN HAND		<u>73,829 74</u>	<u>(73,829 74)</u>	<u>Nil</u>

INDUSTRIAL MAINTENANCE PRODUCTS LIMITED- IN ADMINISTRATION

APPENDIX B

SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD TO 31 OCTOBER 2010

	Director		Senior Manager		Manager 1		Administrator 1		Administrator 2		Administrator 3		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	3	118 50	-	-	7	199 50	30	630 00	-	-	43	675 00	13	156 00	96	1,779 00	185 31
Receipts & Payments	-	-	-	-	-	-	-	-	-	-	2	30 00	6	63 00	8	93 00	116 25
Insurance	-	-	-	-	-	-	-	-	5	85 00	-	-	-	-	5	85 00	170 00
Assets	-	-	102	3,570 00	-	-	-	-	170	2,890 00	15	225 00	18	189 00	305	6,874 00	225 38
Liabilities	-	-	8	280 00	-	-	-	-	129	2,193 00	34	528 00	60	630 00	231	3,631 00	157 19
Debenture Holder	-	-	22	770 00	-	-	-	-	-	-	15	225 00	-	-	37	995 00	268 92
General Administration	12	474 00	-	-	-	-	-	-	-	-	10	150 00	23	244 50	45	868 50	193 00
Appointment	-	-	9	315 00	-	-	-	-	63	1,071 00	-	-	48	504 00	120	1,890 00	157 50
Post Appointment Credits	-	-	8	280 00	-	-	-	-	130	2,210 00	-	-	-	-	138	2,490 00	180 43
Mtings	-	-	15	525 00	-	-	-	-	-	-	-	-	-	-	15	525 00	350 00
Investigations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	15	592 50	164	5,740 00	7	199 50	30	630 00	497	8,449 00	119	1,833 00	168	1,786 50	1,000	19,230 50	

Average Hourly Rate (£)

395 00	350 00	285 00	210 00	170 00	154 03	106 34	192 31
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All Units are 6 minutes

ADDITIONAL INFORMATION IN RELATION TO ADMINISTRATORS' FEES AND DISBURSEMENTS PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

Staff Allocation, Support Staff and the Use of Subcontractors

We take an objective and practical approach to each assignment which includes active partner involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case.

Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is charged.

With effect from 1 January 2010 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

Partner	£395	Administrator 2	£190
Senior Manager	£350	Administrator 3	£170
Manager 1	£300	Administrator 4	£120
Manager 2	£265	Support	£0
Administrator 1	£210		

We have not utilised the services of any sub-contractors in this case.

Professional Advisors

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

On this case we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
Hill Dickinson (Legal advice)	Hourly rate and disbursements
Eddisons (Physical Asset Valuation)	Hourly rate and disbursements
Cerberus Recoveries (Debt Collection)	Hourly rate and disbursements

Disbursements

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses, including car mileage at 40p a mile, incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage. Category 1 disbursements incurred on this case are detailed in Appendix A.

Where we propose 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, documents storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the administrator's remuneration. Such expenditure is referred to as a "category 2 disbursement". The following items of expenditure are ordinarily recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£66.09 per box

No category 2 disbursements have been drawn on this case to date.

JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS

It is proposed that

- 1 The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration
- 2 If appropriate, the Joint Administrators will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors Voluntary Liquidation. It is further proposed that Andrew Poxon and/or John Titley be appointed (Joint) Liquidator(s) of the Company. NB Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved
- 3 In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators will file a Notice with the Registrar of Companies that the Company should be dissolved
- 4 The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company
- 5 The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Andrew Poxon and John Titley be appointed (joint) liquidator(s) of the Company

RESOLUTIONS APPROVED BY SECURED CREDITORS

- 1 Under Rule 2.106 of the Insolvency (Amendment) Rules 2003 and in the absence of a creditors' committee, the remuneration of the Joint Administrators be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration, and the Joint Administrators be authorized to draw remuneration as and when funds are available on account of their time costs
- 2 For the discharge of Category 2 disbursements as detailed on the attached guide to fees
- 3 The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect

MODIFICATIONS TO RESOLUTIONS APPROVED

- 1 Up to a maximum of £15K
- 2 Up to a maximum of £10K

FORM 2.35B, NOTICE OF MOVE FROM ADMINISTRATION TO DISSOLUTION