

The Insolvency Act 1986

Notice of move from administration to dissolution

Name of Company PA Realisations Limited	Company number 01393025
In the High Court of Justice Chancery Division Companies Court	Court case number 11213/08

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

We (a) P M Saville of Zolfo Cooper LLP, 10 Fleet Place, London EC4M 7RB; b) C P Holder of Zolfo Cooper LLP, 10 Fleet Place, London EC4M 7RB and c) A C O'Keefe of Zolfo Cooper LLP, The Observatory, Chapel Walks, Manchester M2 1HL.

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

having been appointed administrators of (b) PA Realisations Limited (formerly Pectel Limited),

(c) Insert date of appointment

c/o Zolfo Cooper LLP, The Observatory, Chapel Walks, Manchester, M2 1HL

(d) Insert name of applicant / appointor

on (c) 17 December 2008 by (d) the directors of the Company

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

We attach a copy of the final progress report.

Signed

A C O'Keefe
Joint Administrator

Dated

8 December 2009

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

Christian Goulding	
Zolfo Cooper, The Observatory, Chapel Walks, Manchester, M2 1HL	
	Tel 0161 838 4528
DX Number	DX Exchange

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



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COMPANIES HOUSE

THURSDAY

**Joint Administrators'
Final Progress Report**

**For the Period
17 June 2009 to 27 November
2009**

**PA Realisations Limited
(formerly Pectel Limited) -
In Administration**

8 December 2009



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1 Statutory Information

- 1.1 I was appointed Joint Administrator of PA Realisations Limited (the **Company**) together with Peter Holder and Peter Saville on 17 December 2008. The application for the appointment of Administrators was made by the Directors of the Company.
- 1.2 This Administration is being handled by Zolfo Cooper's Manchester office, situated at The Observatory, Chapel Walks, Manchester, M2 1HL.
- 1.3 The Administration is registered in the High Court of Justice, Chancery Division, Companies Court, under reference number 11213 of 2008.
- 1.4 The trading address of the Company was Pectel Court, Burnt Mills Road, Basildon, Essex, SS13 1DT. The business traded under its former name of Pectel Limited.
- 1.5 The registered office of the Company is c/o Zolfo Cooper, The Observatory, Chapel Walks, Manchester, M2 1HL and its registered number is 01393025.
- 1.6 The functions of the Administrators may be exercised by any or all, acting jointly or alone.

2 Administrators' Proposals

- 2.1 As previously advised, the Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:
 - rescuing the Company as a going concern;
 - achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
 - realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.2 As detailed in my previous report, the Company is part of a wider group of companies, of which 12 companies in the group (the **Companies**) were placed into Administration on 17 December 2008.
- 2.3 The strategy to achieve the second objective of an Administration, namely of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up, was to secure a sale of the business and assets at the earliest opportunity so as to retain the maximum value for creditors.
- 2.4 Accordingly, a sale of the business and assets of the Companies was concluded to Keltbray Limited (**Keltbray**) immediately following the appointment of the Joint Administrators on 17 December 2008 for a total sum of £3.009 million.
- 2.5 The Company was allocated £600,000 in respect of freehold property; £549,896 in respect of goodwill and intellectual property; £307,591 for debtors, £115,787 for retentions and £382,349 in respect of accrued income.

3 Progress of the Administration

- 3.1 Attached at Appendix A is my Receipts and Payments Account for the period from 17 June 2009 to 27 November 2009 showing the movement since my last report, together with a Cumulative Account to 27 November 2009 for the entire Administration.
- 3.2 As previously advised, the proportion of the consideration attributable to the Company was paid immediately upon completion and is reflected on the attached Receipts and Payments Account.

Sundry Income

- 3.3 Since my last report, bank interest totalling £692 has been received.

4 Administrators' Remuneration

- 4.1 Creditors approved the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Administration.
- 4.2 The Joint Administrators' time costs for the period 17 June 2009 to 27 November 2009 are £17,480 representing 80 hours at an average rate of £219 per hour. Cumulative time costs to 27 November 2009 are £67,901. This represents 295 hours at an average rate of £230 per hour. Attached as Appendices B1 and B2 are Time Analyses which provide details of the activity costs incurred by staff grade during this period and cumulatively for the Administration.
- 4.3 The time costs incurred since the date of my last report primarily relate to the following:
- **Cash Accounting and Time Records:** This relates to preparing bank reconciliations, VAT and Corporation Tax returns, as well as payments, deposits and journals;
 - **Bank and Creditor Reporting:** This consists of preparing written reports to both The Royal Bank of Scotland Plc (the Bank) and creditors generally;
 - **Strategy and Control:** This relates primarily to formulating an effective strategy for the Administration, and conducting internal progress meetings;
 - **Creditors:** This relates to correspondence with creditors and conducting creditors' meetings; And
 - **Case Closure:** This consists of preparing ceasing to act documents and correspondence with solicitors regarding an appropriate exit route.
- 4.4 The total fees drawn are £67,824 plus VAT and I can confirm no further amounts will be drawn.
- 4.5 Attached as Appendix C is additional information in relation to my policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

5 Unrealised Assets

- 5.1 I would confirm that all assets have now been realised and the Receipts and Payments Account at Appendix A reflects the final position on both realisations achieved and payments discharged during the course of the Administration.

6 Outcome for Creditors

- 6.1 The Company granted floating charges to the Bank under debentures dated 1 October 2001 and 23 December 2005, both of which still co-exist. As previously advised, floating charge realisations are distributed to the charge holder in order of priority, with the earlier dated charge taking precedence.
- 6.2 Distributions totalling £1,858,425 have been made to the Bank in respect of its fixed and floating charge over the Company's assets dated 1 October 2001.
- 6.3 The Company does not have any preferential creditors as all of the Companies' employees were either transferred to Keltbray upon the sale, or paid all amounts due to them on redundancy.
- 6.4 As the Bank's earlier security pre-dates the introduction of the Enterprise Act 2002 on 15 September 2003, there is no requirement to set aside an "Unsecured Creditors' Fund" as outlined in Section 176A of the Act. The requirement is valid for the security dated 23 December 2005, however as the Bank suffered a significant shortfall in respect of its 2001 debenture, there were no excess funds available to allocate to an Unsecured Creditors' Fund.

7 Ending the Administration

- 7.1 As the Company has no property which might permit a distribution to its creditors, and in accordance with Paragraph 84 (1) of Schedule B1 of the Act, I propose to file a notice together with my final progress report at Court and with the Registrar of Companies for the dissolution of the Company. The appointment will end following the registration of the notice by the Registrar of Companies.
- 7.2 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.

For and on behalf of
PA Realisations Limited



Anne O'Keefe
Joint Administrator

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Receipts and Payments Account for the Period from 17 June 2009 to
27 November 2009, together with a Cumulative Receipts and Payments
Account to 27 November 2009

Appendix A

	Statement of affairs £	From 17/06/2009 To 27/11/2009 £	From 17/12/2008 To 27/11/2009 £
RECEIPTS			
Freehold Property	600,000	-	600,000
Goodwill	549,900	-	549,896
Bank Interest	-	692	5,694
Book Debts	307,600	-	307,591
Retentions	115,800	-	115,787
Accrued Income	382,400	-	382,349
Rates Refund	-	-	12,188
Sundry Refunds	-	-	1,554
		<u>692</u>	<u>1,975,059</u>
PAYMENTS			
Solicitor's Fees & Disbursements		1,277	39,734
Distribution to Chargeholder		52,019	1,858,425
Agent's Fees		-	2,500
Administrators' Fees		67,824	67,824
Corporation Tax		1,739	2,387
Insurance of Assets		264	264
Stationery & Postage		314	3,029
Sundry Expenses		3	3
PR Consultancy		-	870
Bank Charges		-	23
		<u>123,440</u>	<u>1,975,059</u>
Balance as at 27 November 2009			<u>-</u>

Time Analysis for the Period from 17 June 2009 to 27 November 2009

Appendix B1

	Employee Grade (Hours)				Total Hours	(£'s)	
	Partner/ Director	Senior Associate	Associate / Analyst	Jnr Analyst/ Support		Total Cost	Average Rate p/h
Administration and Planning							
Strategy and Control	2.5	2.8	11.8	4.7	21.8	5,004.5	230
Bank and Creditor Reporting	0.5	1.3	8.2	0.7	10.7	2,522.0	236
Creditors Committee	-	-	-	-	-	-	-
Statutory Duties	-	0.9	0.2	0.4	1.5	361.5	241
Job Administration	-	1.4	2.0	1.7	5.1	1,069.0	210
Cash Accounting and Time Records	0.3	2.6	7.3	10.5	20.7	3,855.5	186
Travel and Waiting Time	-	-	-	-	-	-	-
Case Closure	-	0.4	4.8	-	5.2	1,212.0	233
Internal Documentation and IT	-	3.2	-	0.3	3.5	956.0	273
Investigations							
D Reports	-	-	-	-	-	-	-
Other Investigations	-	0.5	-	-	0.5	155.0	310
Internal Documentation	-	-	-	-	-	-	-
Realisation of Assets - Fixed Charge							
Initial Actions and Valuations	-	-	0.2	-	0.2	42.0	210
Sale of Assets	-	-	0.5	-	0.5	105.0	210
Insurance	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal and External Documentation	-	-	0.2	-	0.2	42.0	210
Realisation of Assets - Debtors							
Debt Collection	-	-	-	-	-	-	-
Debtors Litigation	-	-	-	-	-	-	-
Crown Debtors	-	-	-	-	-	-	-
Internal and External Documentation	-	-	-	-	-	-	-
Realisation of Assets - Floating Charge							
Initial Actions and Valuations	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-
Insurance	-	-	0.5	-	0.5	115.0	230
Retention of Title	-	-	-	-	-	-	-
Hire Purchase / Leased Assets	-	-	-	-	-	-	-
Litigation	-	0.4	-	-	0.4	124.0	310
Internal and External Communication	-	-	-	-	-	-	-
Trading							
Initial Actions	-	-	-	-	-	-	-
Cash Accounting	0.1	-	-	-	0.1	44.0	440
Ongoing Trading Activities	-	-	-	-	-	-	-
Internal and External Communication	-	-	-	-	-	-	-
Creditors							
Creditor Dealings	-	-	3.1	0.6	3.7	717.0	194
Creditor claims	-	0.1	-	-	0.1	31.0	310
Litigation	-	-	3.7	-	3.7	851.0	230
Shareholders / Bankrupts	-	-	-	-	-	-	-
Internal Documentation	-	-	0.3	-	0.3	63.0	210
Employees	-	-	1.0	-	1.0	210.0	210
Employee Communications	-	-	-	-	-	-	-
Totals	3.4	13.6	43.8	18.9	79.7	17,479.5	219

Cumulative Time Analysis for the Period ended 27 November 2009

Appendix B2

	Employee Grade (Hours)				Total Hours	(£'s)	
	Partner/ Director	Senior Associate	Associate / Analyst	Jnr Analyst/ Support		Total Cost	Average Rate p/h
Administration and Planning							
Strategy and Control	9.2	18.7	26.2	6.8	60.9	15,850.5	260
Bank and Creditor Reporting	0.8	19.5	17.4	2.0	39.7	10,151.0	256
Creditors Committee	-	-	-	-	-	-	-
Statutory Duties	0.1	1.4	7.7	1.3	10.5	2,257.5	215
Job Administration	0.3	6.7	8.1	12.2	27.3	5,162.0	189
Cash Accounting and Time Records	0.6	4.4	19.4	21.0	45.4	8,521.0	188
Travel and Waiting Time	-	-	-	-	-	-	-
Case Closure	-	0.4	4.8	-	5.2	1,212.0	233
Internal Documentation and IT	-	22.1	3.3	1.1	26.5	7,038.0	266
Investigations							
D Reports	0.3	1.2	6.7	0.5	8.7	1,958.0	225
Other Investigations	2.5	0.5	0.2	-	3.2	1,297.0	405
Internal Documentation	-	2.0	1.0	-	3.0	790.0	263
Realisation of Assets - Fixed Charge							
Initial Actions and Valuations	-	-	0.2	-	0.2	42.0	210
Sale of Assets	-	1.8	1.1	-	2.9	735.0	253
Insurance	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal and External Documentation	-	-	5.4	-	5.4	1,164.0	216
Realisation of Assets - Debtors							
Debt Collection	-	-	0.4	-	0.4	84.0	210
Debtors Litigation	-	-	-	-	-	-	-
Crown Debtors	-	-	-	-	-	-	-
Internal and External Documentation	-	-	0.4	-	0.4	84.0	210
Realisation of Assets - Floating Charge							
Initial Actions and Valuations	-	-	-	-	-	-	-
Sale of Assets	-	0.5	11.8	-	12.3	2,598.0	211
Insurance	-	-	0.5	-	0.5	115.0	230
Retention of Title	-	-	0.5	-	0.5	105.0	210
Hire Purchase / Leased Assets	-	-	-	-	-	-	-
Litigation	-	0.4	-	-	0.4	124.0	310
Internal and External Communication	-	2.1	1.9	-	4.0	1,003.0	251
Trading							
Initial Actions	-	0.9	1.2	-	2.1	496.0	236
Cash Accounting	0.1	-	-	-	0.1	44.0	440
Ongoing Trading Activities	-	-	1.2	-	1.2	252.0	210
Internal and External Communication	-	-	0.3	-	0.3	63.0	210
Creditors							
Creditor Dealings	-	-	14.0	8.2	22.2	3,890.0	175
Creditor claims	-	1.6	-	-	1.6	496.0	310
Litigation	-	-	8.4	-	8.4	1,928.0	230
Shareholders / Bankrupts	-	-	-	-	-	-	-
Internal Documentation	-	-	0.5	-	0.5	105.0	210
Employees	-	-	1.6	-	1.6	336.0	210
Employee Communications	-	-	-	-	-	-	-
Totals	13.9	84.2	144.2	53.1	295.4	67,901.0	230

Additional Information in Relation to Administrators' Fees Pursuant to Statement of Insolvency Practice 9

Appendix C

1 Policy

Detailed below is Zolfo Cooper's policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

1.1 *Staff Allocation and the use of Sub-contractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, Senior Associate, Associate and Analyst. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. Our charge out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, e.g. report compilation and distribution, do we seek to charge and recover our time in this regard.

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

1.2 *Professional Advisors*

On this assignment 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
DLA Piper UK LLP (legal advice)	Hourly rate and disbursements
Hill & Knowlton (public relations advice)	Hourly rate and disbursements
Willis Limited (Insurance)	Risk based premium
GVA Grimley (valuation and disposal advice)	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

1.3 *Disbursements*

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

2 Charge-out Rates

A schedule of Zolfo Cooper charge-out rates effective from 1 January 2009 is detailed below.

	(Per hour) £
Partner/Director:	
Partner 1*	440
Partner 2*	395
Director	345
Senior Associate:	
Senior Associate 1*	310
Senior Associate 2*	280
Associate/Analyst:	
Associate	230
Analyst*	210
Junior Analyst and Support Staff:	
Junior Analyst*	110
Senior Treasury Associate	170
Treasury Associate	110
Treasury Analyst	75
Support	75
*Key	
Partner 1 - Partners with 3 or more years experience at partner level	
Partner 2 - Partners with less than 3 years experience at partner level	
Senior Associate 1 - Staff who have been Seniors Associates for over 2 years	
Senior Associate 2 - Staff who have been Senior Associates for less than 2 years	
Analyst - Staff who have been Analysts for more than 1 year	
Junior Analyst - First year Analyst	



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