

The Insolvency Act 1986

Administrative
receiver's report**S.48(1)**Pursuant to section 48(1) of the
Insolvency Act 1986 and rule 3.8(3)
of the Insolvency Rules 1986

To the Registrar of Companies

For official use

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Company number

1740877

Name of company

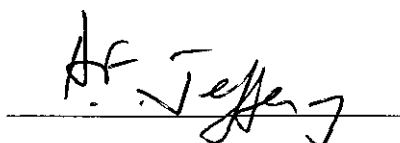
Insert full name of
company

Mildenhall Realisations (2000) Limited

Insert full names
and addressesWe, Paul Francis Jeffery
of Aquis Court
31 Fishpool Street
St Albans Hertfordshire, AL3 4RFRoger Howard Oldfield

KPMG Corporate Recovery
Aquis Court, 31 Fishpool Street
St Albans, Hertfordshirethe administrative receivers of the company, attach a copy of our report to creditors and a
copy of the statement of affairs of the company.

Signed



Dated 23 August 2000

Presenter's name,
address and
reference (if any)Aquis Court
31 Fishpool Street
St Albans Hertfordshire, AL3 4RF

For official use

A50
COMPANIES HOUSE0341
29/08/00



Aquis Court
31 Fishpool Street
St Albans
Hertfordshire, AL3 4RF

Tel 01727 733000
Fax 01727 733005
DX 6132

Private & confidential
To all known creditors

Our ref pfj/jhr/hrw/cred100c

Contact Philip Dakin
01727 733125

10 August 2000

Dear Sir(s)

Mildenhall Realisations (2000) Limited (formerly English Architectural Glazing Limited) (in administrative receivership)

A meeting of the unsecured creditors of the above company will be held pursuant to section 48(2) of the Insolvency Act 1986 at The Heath Court Hotel, Moulton Road, Newmarket, Suffolk CB8 8DY on 29 August 2000 at 10:00am.

I enclose formal notice of the meeting, together with a proxy form and a copy of the report that will be presented at the meeting.

The meeting is being held purely as a formality in order to present the above report and to give creditors the opportunity to form a creditors' committee. In this instance, however, such a committee will be able to serve little purpose as no funds will be available for the unsecured creditors.

Yours faithfully
for Mildenhall Realisations (2000) Limited

Paul F Jeffery
Joint Administrative Receiver

The joint administrative receivers contract without personal liability

Enclosures: notice of meeting, proxy form and report



KPMG, a partnership established under English law, is a member of KPMG International, a Swiss association

KPMG is registered to carry on audit work and authorised to carry on investment business

by the Institute of Chartered Accountants in England and Wales. The principal place of

business is 8 Salisbury Square, London EC4Y 8BB where a list of partners' names is open to inspection.



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To all known creditors

Our ref pfj/jhr/hrw/cred200c

Contact Philip Dakin
01727 733125

10 August 2000

Dear Sir(s)

Mildenhall Realisations (2000) Limited (formerly English Architectural Glazing Limited) (in administrative receivership)

Notice of creditors' meeting

Notice is hereby given that a meeting of the unsecured creditors of the above company will be held pursuant to section 48(2) of the Insolvency Act 1986 at 10:00am, on 29 August 2000 at The Heath Court Hotel, Moulton Road, Newmarket, Suffolk CB8 8DY for the purpose of receiving the report of the administrative receivers and, if thought fit, appointing a creditors' committee.

A creditor will be entitled to vote only if a written statement of claim is submitted to me at the address at the top of this letter by 12 noon on 25 August 2000 and if the claim is admitted for voting purposes. A creditor may vote either in person or by proxy and a proxy form is attached. A proxy that is intended to be used must be submitted to me before the meeting. A company may vote either by proxy or through a representative appointed by board resolution.

A creditor whose claim is wholly secured is not entitled to attend or be represented at the meeting. A secured creditor may, however, vote in respect of any unsecured balance of claim after deduction of the estimated security value.

Yours faithfully
for Mildenhall Realisations (2000) Limited

Paul F Jeffery
Joint Administrative Receiver

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**Mildenhall Realisations (2000) Limited (formerly English
Architectural Glazing Limited)**

**Joint Administrative Receivers' report to creditors pursuant to Section
48 of the Insolvency Act 1986**

10 August 2000

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1 Introduction

In accordance with Section 48 of the Insolvency Act 1986, I set out below my report on the receivership of Mildenhall Realisations (2000) Limited, formerly English Architectural Glazing Limited ('the Company'), following the appointment of Roger Oldfield and me as Joint Administrative Receivers on 30 May 2000.

This report is prepared in accordance with Section 48(1) of the Insolvency Act 1986 and is to inform creditors of the following matters:

- events leading up to the receivers' appointment;
- the disposal of the company's assets;
- the amounts payable to the debenture holder on whose behalf the receivers were appointed and the amounts payable (if any) to the preferential creditors; and
- funds (if any) likely to be available for other creditors.

2 Statutory information

- Company number : 01740877
- Date of incorporation 20 July 1983
- Previous name Tayvin 190 Limited
- Registered office Aquis Court, 31 Fishpool Street, St Albans, Hertfordshire, AL3 4RF
- Principal trading address Chiswick Avenue, Mildenhall, Bury St Edmunds
- Business Design, manufacture and erection of large glazed aluminium structures for commercial buildings
- Current directors PK Beavon
SJ Feery
GW Coster
EC Whipp
AJ Price

3 Events leading up to receivership

The Company was acquired by Haymills Plc ('Haymills') in April 1999. It traded from leasehold premises in Mildenhall and carried out the design, manufacture and installation of cladding and glazing for the construction industry. At the date of our appointment the Company had 150 employees.

Subsequent to the acquisition the Company reported losses of £2.2m in the nine months ended 31 December 1999. The losses are attributed to the Company's involvement in a £5m contract, which led to management resources being diverted away from the Company's other contracts. Despite investment by Haymills the losses continued in 2000.

Under the terms of a debenture dated 16 July 1987, National Westminster Bank Plc ('the Bank'), was granted fixed and floating charges over the Company's assets. In May 2000, the Bank demanded repayment of all monies due to it. The Company was unable to satisfy the demand and, therefore, the directors of the Company invited the Bank to appoint Joint Administrative Receivers.

A summary of the Company's recent trading results is shown below.

Figure 1: Recent trading results

	Statutory accounts 15 mths to 31/03/99	Statutory accounts year to 31/12/97
	£000	£000
Turnover	26,808	14,048
Cost of sales	(25,868)	(11,066)
Gross profit	940	2,982
Administration expenses	(3,260)	(2,065)
Operating profit/(loss)	(2,320)	917
Exceptional items	(1,184)	-
(Loss)/profit on ordinary activities	(3,503)	917
Investment income	81	37
Interest payable	(66)	(26)
Net profit/(loss) before tax	(3,489)	928
<i>Source: Statutory accounts</i>		

4 Actions taken since appointment

Upon arrival at the premises we met with three directors of the Company, Steve Feery, Edward Whipp and Peter Beavon to review the current position of the company.

Following discussions we formulated an initial strategy which involved instructing Naismiths, a firm of Quantity Surveyors specialising in insolvency, to review all contracts in progress to identify which contracts, if any, would be cost effective to complete.

Following this review and considering the nature of the contracts, the time scales involved and risk of loss, we could not resume normal trading. Whilst trading may have protected debtors we estimated that overall a significant loss was likely to be incurred. Also, maintaining the business as a feasible entity was considered to be extremely difficult and likely to incur substantial professional costs.

Therefore, we decided to concentrate on a small number of viable contracts which would produce positive realisations and enable the business to be maintained as a going concern until sold. In light of the above we reviewed and adjusted staffing levels, and accordingly on 2 June 2000, 107 employees were made redundant. The remaining 43 staff were considered sufficient to complete the viable contracts and maintain the business whilst seeking a purchaser.

Our principal objectives were to novate the major works contracts by encouraging every possible interest, and to review the possibility of selling the small works department as a separate entity.

4.1 *Sale of the business*

We advertised the business in the Financial Times ("FT") on 2 June 2000 and on the UK Insolvency Internet site. We also made direct contact with those parties we identified as having a potential interest in the business.

In response we received 64 enquiries and we issued an information memorandum to each of these parties. Seven parties visited the Company's trading premises. Only one party, Norman Sheldrake, made an offer for the major works contracts, assets and goodwill.

4.1.1 *Major works*

Following negotiations with Norman Sheldrake we sold the business and certain assets to Tayvin 190 Limited, now trading as English Architectural Glazing Limited, on 8 June 2000.

This offer was accepted following its recommendation by our agents, Naismiths and Edward Symmons & Partners, the latter having previously valued the tangible assets for the receivers.

The acquisition of the individual contracts by Norman Sheldrake is dependent on novation agreements being reached with the various contractors. The majority have now been novated and the remainder should be completed shortly.

4.1.2 *Small works*

The small works division, comprising goodwill, stock and selected contracts were sold separately to Met-Clad Limited, previously a competitor of the Company.

5 *Debenture holder*

At the date of our appointment the Bank's indebtedness was £2,551,462. The Bank has fixed and floating charges over the Company's assets under its debenture dated 16 July 1987. The Bank will not be repaid in full.

6 Preferential creditors

The preferential claims are estimated as follows:

	£000
Inland Revenue - PAYE/NI	100
HM Customs & Excise - VAT	50
Employees	47
	<hr/>
	197
	<hr/>
<i>Source: Company records</i>	

These amounts have been estimated using the Company's records. Formal claims have not yet been received. There is a possibility of a small distribution to preferential creditors. However, the timing and quantum of such a distribution is uncertain at this time.

7 Unsecured creditors


The directors estimate that there are approximately 1,700 trade and expense creditors, which are in total owed approximately £3.9 million. In addition, Haymills are owed £3.7m in respect of unsecured loans made to the Company. Unfortunately, there will not be a dividend to the unsecured creditors.

8 Statement of Affairs

A summary of the directors' statement of affairs is attached as Appendix 1

9 Section 48 meeting

A copy of this report has been forwarded to all known creditors and will be presented at a meeting of the Company's creditors to be held at The Heath Court Hotel, Moulton Road, Newmarket, Suffolk CB8 8DY on 29 August 2000 at 10:00am. Please note that this meeting is entirely formal and you are not required to attend.



PF Jeffery
Joint Administrative Receiver

10 August 2000

Appendix 1

Mildenhall Realisations (2000) Limited
Summary of directors' statement of affairs as at 30 May 2000

	Book value £	Estimated to realise £
Assets specifically pledged:		
Book debts	4,700,000	1,000,000
ACT recoverable	70,000	70,000
Cash in hand	5,500	500
Ravensthorpe Limited	57,000	57,000
Architectural Glazing (Scotland) Ltd	252,000	50,000
Sundry prepayments	75,000	25,000
	<u>5,159,500</u>	<u>1,202,500</u>
Less: Amount due to National Westminster Bank Plc	(2,551,000)	(2,551,000)
Shortfall (c/d)	<u>2,608,500</u>	<u>(1,348,500)</u>
Third party assets		
Plant & equipment	75,724	20,000
Fixtures, fittings & computers	28,712	5,000
	<u>104,436</u>	<u>25,000</u>
Amounts due to third parties		(25,000)
		<u>-</u>
Assets not specifically pledged:		
Property improvements	36,500	-
Motor vehicles	3,700	12,000
Plant & equipment	89,776	30,000
Fixtures, fittings & computers	230,288	30,000
Work in progress	290,000	10,000
Stock in trade	170,000	20,000
Wages control	10,676	1,000
	<u>830,940</u>	<u>103,000</u>
Estimated funds available to preferential creditors		
Preferential creditors:		
PAYE		(53,303)
VAT		(50,000)
NIC		(46,374)
Employees		(47,483)
Estimated deficit as regards preferential creditors		<u>(94,160)</u>
Debts secured by floating charge		
National Westminster Bank Plc (Shortfall b/f)		(1,348,500)
Estimated funds available to unsecured creditors		<u>(1,442,660)</u>
Unsecured creditors:		
Trade and expense creditors		(3,385,400)
Sundry other creditors		(500,000)
Hire purchase		(83,000)
Haymills group of companies		(3,740,000)
Deferred tax		(18,000)
Estimated deficiency as regards unsecured creditors		<u>(9,169,060)</u>
Issued and called up share capital		(75,000)
Estimated deficiency as regards members before costs		<u>(9,244,060)</u>
<i>Source: Directors' statement of affairs</i>		

The Insolvency Act 1986

Proxy (administrative receivership)

In the matter of Mildenhall Realisations (2000) Limited (formerly English Architectural Glazing Limited)

and

in the matter of the Insolvency Act 1986

Notes to help completion of
the form

Please give full name and
address for communication

Name of creditor _____

Address _____

Please insert name of person
(who must be 18 or over) or
"chairman of the meeting". If
you wish to provide for
alternative proxy-holders in
the circumstances that your
first choice is unable to attend
please state the names of the
alternatives as well

Name of proxy-holder

1 _____

2 _____

3 _____

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

I appoint the above person to be my/the creditor's proxy-holder at the meeting of creditors to be held on 29 August 2000, or at any adjournment of that meeting. The proxy-holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

Voting instructions for resolutions:

For the appointment of _____

of _____

representing _____

as a member of the creditors' committee.

This form must be signed

Signature _____ Dated _____

Name in CAPITAL LETTERS _____

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

Position with creditor or relationship to creditor or other authority for

Signature _____