Rule 2.33

Form 2.17B

The Insolvency Act 1986

Statement of administrator's proposals

2.17B

Name of Company	Company Number
Wrayram Engineers Limited	02075148

In the	Court case number
High Court of Justice Chancery Division Birmingham District Registry (full name of court)	9734 of 2008

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

We Mr Anthony Steven Barrell and Mr Robert Jonathan Hunt of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT

attach a copy of our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 26 February 2009

Signed A S Barrell

Joint Administrator

Dated 26/2/09.

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

PricewaterhouseCoopers LLP	
Benson House, 33 Wellington Street	
Leeds, LS1 4JP	Tel 0113 289 4000
DX Number	DX Exchange

SATURDAY

AREXC7RM

A48 28/02/2009 318

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

PRICEWATERHOUSECOOPERS

Wrayram Engineers Limited – in Administration
High Court of Justice, Chancery Division, Birmingham District Registry
Case No. 9734 of 2008

Joint Administrators' proposals for achieving the purpose of administration

26 February 2009

Contents

PRICEWATERHOUSECOOPERS

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To all known creditors

26 February 2009

When telephoning, please ask for Toby Butcher on 0113 289 4004

Dear Sirs,

Wrayram Engineers Limited – in administration ("the Company")

1. Purpose of this document

I wrote to all creditors on 9 January 2009 to explain that Wrayram Engineers Limited ("the Company") had entered into Administration and that Rob Hunt and I had been appointed as Joint Administrators ("the Administrators") on 5 January 2009.

We were appointed as Administrators to manage the affairs, business and property of the Company. We will act until such time as our proposals for achieving the purpose of administration have been agreed by creditors and implemented, following which the Administration will be ended.

The purpose of administration is to achieve one of the following objectives: -

(a) Primarily, rescuing the Company as a going concern, or failing that
(b) 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 finally
(c) Realising property in order to make a distribution to one or more secured or preferential creditors.

For the reasons detailed in this document, objective (b) is being pursued as it was not reasonably practical to rescue the Company as a going concern.

This document and its appendices form the Administrators' statement of proposals for achieving the purpose of administration as required by Paragraph 49 of Schedule B1 to the Insolvency Act 1986 ("Sch.B1 IA86").

PRICEWATERHOUSECOOPERS

An initial creditors' meeting will be held at 11:00am on Monday, 16 March 2009 at The Three Counties Hotel, Belmont Road, Hereford, HR2 7BP to consider these proposals and decide whether a creditors' committee should be formed and if no committee is formed to fix the Administrators' remuneration. Formal notice of the meeting, Form 2.20B, is enclosed. Please note that you will be bound by our proposals if they are approved at the creditors' meeting by the requisite majority of creditors. It is therefore important that you read this document carefully. You may put forward any modifications that you wish to see incorporated into the proposals and make your views known on whether they should be accepted.

As a creditor you can attend the creditors' meeting either in person or by submitting a proxy. Please let me have details of your claim on the enclosed form as soon as possible. In order to vote (either in person or by proxy) I must receive written details of your claim no later than 12.00 on Friday, 13 March 2009. Please note that you are not obliged to attend the meeting or submit a proxy if you do not wish to vote and you will not prejudice your claim and entitlement to a dividend, should there be one, if you do not attend or vote.

If you have any concerns or questions regarding the background to this case or what is being proposed, please do not hesitate to contact my colleague, Toby Butcher, on 0113 289 4004.

Yours faithfully
for and on behalf of the Company

Signed...............................

A S Barrell
Joint Administrator

Mr Anthony Steven Barrell and Mr Robert Jonathan Hunt have been appointed as joint administrators of Wrayram Engineering Limited to manage its affairs, business and property as its agents. Both are licensed to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

2. The Administrators' statement of proposals

a. Brief history of the Company and summary of the Administrators' actions to date

Background

The Company was incorporated in 1986 and manufactures hydraulic cylinders, which are sold to a wide range of industries, in particular agriculture and construction. The Company operated from leasehold premises in Hereford and employed 50 people at the date of appointment. The Company's turnover was approximately £5million per annum.

The circumstances giving rise to the Administrators' appointment

The Company's turnover decreased sharply in the last six months of 2008 due to falling demand and customers seeking to de-stock. This resulted in significant cash pressures on the Company. The directors sought to reduce the Company's cost base through making redundancies and laying off staff.

A winding up petition was issued by HKB Ltd for unpaid materials, which was due to be heard by the Court on 10 February 2009. Given the cash flow issues, continued decline in sales and uncertainty over future orders, the directors had no alternative but to place the Company into administration by applying to the High Court of Justice in Birmingham.

The manner in which the Company's affairs and business have been managed and financed

The Company's principal assets on appointment were stock, fixed assets and trade debtors. A significant number of the fixed assets were subject to hire purchase and the trade debtors were subject to an invoice finance agreement with HSBC Invoice Finance ("HSBCIF"). Consequently the outcome for creditors was dependent on the recoveries from stock.

On appointment the Joint Administrators reviewed the order position, trading costs and potential for a going concern sale. Given the likely losses from ongoing trading, the uncertainty of future orders and little prospect of a going concern sale the Joint Administrators concluded that production could not continue and unfortunately had no alternative but to make 41 employees redundant.

We retained the remaining workforce to assist us with realising the finished goods stock, securing the assets, paying wages and bringing the accounting records up to date. In addition, Company staff were utilised to provide the supporting documentation to HSBCIF so that HSBCIF could collect out the debtors ledger.

The Joint Administrators received enquires from 14 potential purchasers for the business and assets and further information was provided to eight parties. Of these eight, only one visited site and after further discussions decided not to make an offer. A number of parties had expressed an interest in acquiring individual assets but no one party were interested in acquiring all of the fixed assets.

We then implemented a strategy of maximising realisations from the bespoke finished goods stock, whilst also seeking a potential purchaser for the remaining business and assets. We contacted the Company's customers to sell the bespoke finished goods during a 4 week period. Stock sales of £353,000 were achieved which were significantly higher than originally anticipated. The remaining employees were made redundant on 28 January 2009 and the site was closed.

2. The Administrators' statement of proposals

The balance of finished goods, work in progress and raw materials not required by customers was sold for £20,000 to Wye Cylinder Engineering Limited, a company formed by one of the Company's directors, Ken Bayliss, (subject to retention of title claims). This was in excess of the scrap value of the goods.

The unencumbered fixed assets were also sold to Wye Cylinder Engineering Limited for £75,000. The total consideration due from Wye Cylinder Engineering Limited is due in two tranches, the first on completion for £70,000, which has now been received, and the second is payable one month after completion for £25,000.

Acceptance of the offer from Wye Cylinder Engineering Limited was supported by recommendation from our agents, GVA Grimley.

Pursuant of Statement of Insolvency Practise No 13 (Acquisition of Assets of Insolvent Companies by Directors) further details of the sale to Wye Cylinder Engineering Limited are attached at Appendix D.

Objective of the Administration

For the reasons provided above, as it was not practicable to rescue the Company as a going concern, the statutory purpose being pursued in relation to the Company is "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)" (Paragraph 3(1)(b) of Sch B1 IA86).

The Joint Administrators believe that the statutory purpose will be achieved by virtue of the sale of bespoke finished goods stock, whilst also securing a purchaser for the remaining business and assets.

The Prescribed Part

Pursuant to Section 176A IA86, the Administrators are required to make available, for the payment of non-preferential unsecured creditors, the 'Prescribed Part' of the net floating charge realisations that (but for setting aside the 'Prescribed Part') would be available to meet the claims of the secured creditor under its floating charge.

As the date of the Company's debenture is prior to the 15 September 2003, the Prescribed Part is not applicable in this Administration.

Dividend prospects

Preferential creditors (totalling approximately £25,000) represent amounts due for arrears of wages, subject to statutory limits, and unpaid holiday pay. It is currently anticipated that the Company's preferential creditors will be paid in full.

We are pleased to confirm that it is currently expected that there will be a distribution to the unsecured creditors and that the dividend will be in the region of 6p in the £. Please note that the guidance on dividend prospects is indicative only and it should not be used as the sole or principle basis of any bad debt provision.

2. The Administrators' statement of proposals

Ending the Administration

The Administrators currently envisage that once the objective of the Administration has been achieved, the Administration will be ended in the manner set out in Section 2(b)(vii).

2. The Administrators' statement of proposals

b. Proposals for achieving the purpose of the Administration

The Administrators make the following proposals for achieving the purpose of Administration.

i) The Administrators will continue to manage and finance the Company's business, affairs and property from asset realisations in such manner as they consider expedient for 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).

ii) The Administrators may investigate and, if appropriate, pursue any claims that the Company may have under the Companies Act 1985 or IA86 or otherwise. In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals.

iii) If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent liquidator, the Administrators or supervisor of a company voluntary arrangement / scheme of arrangement and that the costs of so doing be met as a cost of the Administration as part of the Administrators' remuneration (where the Administrators think there will be sufficient funds for a distribution to unsecured creditors other than by virtue of the Prescribed Part) or out of the Prescribed Part as costs associated with the Prescribed Part (where the Administrators think that funds will become available to the unsecured creditors by virtue of the Prescribed Part but not otherwise).

iv) If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion make an application to Court for permission to make distributions to unsecured creditors under Paragraph 65(3) Sch.B1 IA86.

v) A creditors' committee will be established if sufficient creditors are willing to act on it. Where the Administrators consider it appropriate, they will seek sanction from the committee to a proposed action rather than convening a meeting of all creditors.

vi) The Administrators will consult with the creditors' committee concerning the necessary steps to extend the Administration beyond the statutory duration of one year if an extension is considered advantageous. The Administrators shall either apply to the Court or seek consent from the appropriate classes of creditors for an extension.

vii) The Administrators may use any or a combination of "exit route" strategies in order to bring the Administration to an end, but in this particular instance the Administrators are likely to wish to pursue the following options as being the most cost effective and practical in the present circumstances: -

(a) Once asset disposals are complete, the Administrators will place the Company into creditors' voluntary liquidation. In these circumstances, it is proposed that Mr Anthony Steven Barrell and Mr Robert Jonathan Hunt be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by either or both of them. In accordance with Paragraph 83(7) Sch.B1 IA86 and Rule 2.117(3) IR86, creditors may nominate alternative liquidators, provided that the nomination is made after the receipt of these proposals and before they are approved.

(b) Once asset disposals are complete, the Administrators will apply to the Court to allow the Administrators to distribute surplus funds, if any, to unsecured non-preferential creditors. If such permission is given, the Administration will be brought to an end by notice to the Registrar of Companies

2. The Administrators' statement of proposals

under Paragraph 84 Sch.B1 IA86, following registration of which the Company will be dissolved three months later. If permission is not granted the Administrators will place the Company into creditors' voluntary liquidation or otherwise act in accordance with any order of the court.

(c) If it transpires that there are insufficient funds with which to make a distribution to unsecured non-preferential creditors of the Company, once all of the assets have been realised and the Administrators have concluded all work within the Administration, the Administrators will file a notice under Paragraph 84(1) Sch.B1 IA86 with the Registrar of Companies, following registration of which the Company will be dissolved three months later, or

(d) If the Administrators consider appropriate, apply to Court under Paragraph 79 Sch.B1 for the Administration to be ended and for the Company to be placed into compulsory liquidation.

viii) The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch.B1 IA86 in respect of any action of theirs as Administrators 14 days after they cease to be joint administrators of the Company or in any case at a time determined by the Court.

ix) It is proposed that the Administrators' fees be fixed under Rule 2.106 of the Insolvency Rules 1986 by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that disbursements for services provided by the Administrators' own firm (defined as Category 2 disbursements in Statement of Insolvency Practice No.9) be charged in accordance with the Administrators' firm's policy as set out in Appendix C. It will be for the creditors' committee to fix the basis and level of the Administrators' fees and Category 2 disbursements but if no committee is appointed, it will be for the general body of creditors to determine these instead.

Creditors will be asked to vote upon the following matters at the initial meeting of creditors: -

1. That the Administrators' proposals dated 26 February 2009 for achieving the purpose of administration be accepted

2. That a creditors' committee be formed if there are sufficient creditors willing to act

3. For the appointment of the members of the creditors committee

If a creditors' committee is not formed

4. That the Administrators' fees be fixed by reference to the time properly given by the Administrators and the various grades of their staff according to the firm's usual charge out rates for work of this nature and that the Administrators be authorised to draw such fees from time to time

5. That the Administrators be authorised to draw disbursements for services provided by their own firm (Category 2 disbursements) as follows: Photocopying – charged for circulars and other bulk copying at 3p per sheet; mileage – at a maximum of 62p per mile (up to 2,000 cc) or 81p per mile (over 2,000 cc) from time to time

6. That the Administrators be discharged from liability pursuant to Paragraph 98(1) of Schedule B1 to the Insolvency Act 1986 in respect of any action of theirs as Administrators 14 days after they cease to be Joint Administrators of the Company.

2. The Administrators' statement of proposals

c. Statement of affairs

A statement of affairs of the Company was delivered to the Administrators on 11 February 2009. The statement was signed by Kenneth Bayliss.

The Administrators make the following comments on the statement of affairs: -

- In accordance with the standard format of the statement of affairs, no provision has been made for the costs of realising the Company's assets or the costs of the Administration.
- The Administrators have not carried out anything in the nature of an audit on the information.

The statement of affairs is copied at Appendix A and includes details of the names, addresses and debts of creditors (including details of any security held).

2. The Administrators' statement of proposals

d. Statutory and other information

Court details for the Administration:	High Court of Justice, Chancery Division, Birmingham District Registry Case No. 9734 of 2008
Full name:	Wrayram Engineers Limited
Trading name:	Wrayram Engineers Limited
Registered number:	02075148
Registered address:	c/o PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP
Company directors:	Kenneth John Bayliss, Roger William Wood, David Keith Pritchard, Phillip William Watkins
Company secretary:	Elizabeth Jane Bayliss
Shareholdings held by the directors and secretary:	David Keith Pritchard - 100 ordinary shares of £1 each Elizabeth Jane Bayliss - 799 ordinary shares of £1 each Kenneth John Bayliss - 799 ordinary shares of £1 each Phillip William Watkins - 100 ordinary shares of £1 each Roger William Wood - 200 ordinary shares of £1 each
Date of the Administration appointment:	5 January 2009
Administrators' names and addresses:	Mr Anthony Steven Barrell and Mr Robert Jonathan Hunt, PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT
Appointor's / applicant's name and address:	The Court / The Directors of the Company c/o 403 Netherwood Road, Rotherwas Industrial Est, Hereford, Herefordshire, HR2 6JU
Objective being pursued by the Administrators:	(b) – 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)
Division of the Administrators' responsibilities:	In relation to paragraph 100(2) Sch.B1 IA86, all functions are to be exercised by any one or both of the Joint Administrators.
Proposed end of the Administration:	Creditors Voluntary Liquidation or dissolution following Administration
Estimated dividend for unsecured creditors:	10p in the £
Estimated values of the prescribed part and the company's net property:	Not applicable
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	Not applicable
The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings
Any other information which the Administrators think necessary to enable creditors to decide whether or not to vote for adoption of the proposals:	Not applicable

3. Receipts and payments account

Wrayram Engineers Limited - in Administration
Summary of receipts and payments from 5 January 2009 to 23 February 2009

		£	£
Receipts			
	Sale of Plant and Equipment	69,998.00	
	Sale of Intellectual Property	1.00	
	Sale of Goodwill	1.00	
	Third Party Funds	977.93	
	Stock	347,114.83	
	Interest	10.39	
	VAT Payable	66,317.33	
			484,420.48
Payments			
	Net wages	8,489.58	
	PAYE & NIC	4,426.61	
	Other payroll deductions	294.68	
	Third Party Funds	977.93	
	Heat, Light & Power	1,134.16	
	Legal Fees	11,340.50	
	Legal Expenses	175.00	
	General.expenses	102.69	
	Mail re-direction	24.90	
	Bank charges	322.91	
	Subcontractors	3,138.00	
	Rent	2,130.03	
	Rates	2,061.45	
	Transport & Carriage	1,000.00	
	VAT Receivable	2,495.65	
			38,114.09
Balance at bank (held in high interest current account)			**446,306.39**

Appendix A Copy of the statement of affairs

Rule 2.29 Form 2.14B

Statement of affairs

Name of company Wrayram Engineers Limited	Company number 02075148
In the High Court of Justice Chancery Division Birmingham District Registry (full name of court)	Court case number 9734 of 2008

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

Statement as to the affairs of (a) Wrayram Engineers Limited, 403 Netherwood Road Rotherwas Industrial Est, Hereford, Herefordshire, HR2 6JU

(b) Insert date

on the (b) 5 January 2009, the date that the company entered administration.

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 5 January 2009 the date that the company entered administration.

Full name KENNETH JOHN Bayliss

Signed [signature]

Dated 10/2/09.

A - SUMMARY OF ASSETS

Assets

	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Tangible fixed assets	1031000	682000
Less Hire purchase	-682000	-682000
Trade debtors	394000	355000
Less Invoice discounting advance	-274000	-274000
Assets subject to floating charge:		
Tangible fixed assets	398000	70000
Stock	1087000	378000
Uncharged assets:		
Bank account	11000	11000
Estimated total assets available for preferential creditors	1965000	540000

Signature.................... Date...10/2/09

A1 - SUMMARY OF LIABILITIES

		Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£	540000
Liabilities Preferential creditors:-	£	
Estimated deficiency/surplus as regards preferential creditors	£	
Estimated prescribed part of net property where applicable (to carry forward)	£	
Estimated total assets available for floating charge holders	£	
Debts secured by floating charges	£ -138000	-138000
Estimated deficiency/surplus assets after floating charges	£	
Estimated prescribed part of net property where applicable (brought down)	£	
Total assets available to unsecured creditors	£	
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£ -1243000	-1243000
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£	
Shortfall to floating charge holders (brought down)	£	
Estimated deficiency/surplus as regards creditors	£	
Issued and called up capital	£ -2000	-2000
Estimated total deficiency/surplus as regards members	£	-843000

Signature............................ Date...10/2/09...............

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No of shares held	Nominal Value	Details of shares held
Kenneth Bayliss	Instone Farm, Tenbury Road, Bromyard	799	£ 799	Ordinary shares
Elizabeth Bayliss	Instone Farm, Tenbury Road, Bromyard	799	£ 799	Ordinary shares
Jeffrey Bayliss	Lower Hardwick Lane, Bromyard	2	£ 2	Ordinary shares
David Pritchard	New Crosses, Springfield, Pencombe, Bromyard	100	£ 100	Ordinary shares
Phillip Watkins	The Old School House, Kingstone, Hereford	100	£ 100	Ordinary shares
Roger Wood	9 Church Lane, Bromyard	200	£ 200	Ordinary shares
			£	
			£	
	TOTALS	2,000	£ 2,000	

Signature.. Date 10/6/09.

Date: 29/01/2009

Time: 13:37:51

WRAYRAM ENGINEERS LTD

Aged Creditors Analysis (Summary)

Report Date: 29/01/2009
Include future transactions: No
Exclude Later Payments: No

Supplier From:
Supplier To: ZZZZZZZZ

** NOTE: All report values are shown in Base Currency, unless otherwise indicated **

A/C	Name	Credit Limit	Turnover	Balance	Future	Current	Period 1	Period 2	Period 3	Older
ABLEFR	ABLE FREIGHT SERVICES	£ 0.00	20,467.00	7,009.59	0.00	0.00	2,451.73	1,686.14	2,871.72	0.00
ABTEC	ABTEC CARBIDE	£ 0.00	2,414.68	271.14	0.00	0.00	0.00	0.00	271.14	0.00
ACOSUR	ACORN SURFACE	£ 0.00	519.00	609.82	0.00	0.00	0.00	0.00	609.82	0.00
ACTION	INSIGHT DIRECT (UK) LTD	£ 0.00	414.81	435.76	0.00	0.00	0.00	0.00	-136.08	571.84
ACTIV	ACTIVE SPRINGS	£ 0.00	301.10	346.27	0.00	0.00	346.27	0.00	0.00	0.00
ADTEC	ADTECH INDUSTRIAL	£ 0.00	5,247.84	2,903.47	0.00	0.00	0.00	809.91	523.39	1,570.17
ADVAN	ADVANTAGE BUSINESS	£ 0.00	1,735.97	387.59	0.00	0.00	105.68	69.08	212.83	0.00
AIRPRO	AIR PRODUCTS PLC	£ 0.00	3,814.16	610.46	0.00	0.00	253.08	357.38	0.00	0.00
ALLIED	ALLIED MAXCUT ENG CO	£ 0.00	63,836.79	44,422.43	0.00	0.00	0.00	374.99	6,636.77	37,410.67
ANGLO	ANGLO CHINA ALLIED CO	£ 0.00	247.32	290.61	0.00	0.00	0.00	0.00	0.00	290.61
ANTIF	ANTIFRICTION	£ 0.00	3,383.46	485.66	0.00	0.00	210.45	214.11	61.10	0.00
APELEC	A & P ELECTRONICS	£ 0.00	835.55	37.47	0.00	0.00	37.47	0.00	0.00	0.00
ARESPE	AREFCO SPECIAL	£ 0.00	106.40	42.24	0.00	0.00	0.00	42.24	0.00	0.00
ARRIVA	BROOKLYN TOYOTA	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AUGEA	AUGEAN TREATMENT LTD	£ 0.00	1,270.00	757.88	0.00	0.00	0.00	0.00	0.00	757.88
BOCLTD	BOC GASES LTD	£ 0.00	71.25	55.32	0.00	0.00	55.32	0.00	0.00	0.00
BRAEM	BRAEMAR UK LTD	£ 0.00	8,391.07	5,774.91	0.00	0.00	0.00	0.00	2,206.06	3,568.85
BRTELE	BT plc	£ 0.00	1,381.32	310.99	0.00	0.00	310.99	0.00	0.00	0.00
BYPYHY	BYPY HYDRAULICS &	£ 0.00	5,221.60	3,366.85	0.00	0.00	0.00	0.00	1,517.75	1,849.10
CARGO	CARGO MARKETING	£ 0.00	1,067.16	0.03	0.00	0.00	0.00	0.00	0.00	0.03
CHAMB	HEREFORDSHIRE &	£ 0.00	331.00	388.93	0.00	0.00	0.00	0.00	0.00	388.93
CLASEA	CLARON HYDRAULIC SEAL	£ 0.00	11,902.01	1,633.08	0.00	0.00	71.27	166.91	1,394.90	0.00
CLASER	CLARON HYDRAULIC	£ 0.00	5,791.15	1,510.66	0.00	0.00	0.00	387.06	1,123.60	0.00
CLEARV	CLEANMY LTD	£ 0.00	130.61	112.30	0.00	0.00	0.00	57.96	0.00	54.34
CLEWAT	CLEARWATER INDUSTRIAL	£ 0.00	940.24	204.88	0.00	0.00	0.00	204.88	0.00	0.00
CLIFF	THE CLIFFORD SPRING	£ 0.00	1,258.80	330.55	0.00	0.00	0.00	331.35	0.00	-0.80
CLYDES	CLYDESDALE BANK ASSET	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CNORR	C NORRIS SPRING SPEC LTD	£ 0.00	3,983.68	653.80	0.00	0.00	122.13	0.00	531.67	0.00
COMPON	COMPONENT FORCE	£ 0.00	55.95	65.75	0.00	0.00	0.00	0.00	65.75	0.00
CONTAI	CONTAINER PRODUCTS LTD	£ 0.00	2,113.11	1,238.63	0.00	0.00	0.00	0.00	1,238.63	0.00
CORUS	CORUS COLD DRAWN	£ 0.00	66,741.43	48,303.77	0.00	0.00	0.00	0.00	21,368.26	26,935.51
CROMW	CROMWELL GROUP	£ 0.00	2,831.04	919.78	0.00	0.00	0.00	235.93	0.00	683.85
CRYSTA	CRYSTAL CLEAR CLEANING	£ 0.00	1,520.00	300.00	0.00	0.00	140.00	160.00	0.00	0.00
CSSTE	C&S STEELS	£ 0.00	124,049.66	51,358.73	0.00	0.00	0.00	7,873.73	12,313.46	31,171.54
CULLIM	CULLIMORE HYDRAULIC	£ 0.00	14,062.65	2,063.94	0.00	0.00	0.00	207.74	0.00	1,856.20
CUTWEL	CUTWEL LIMITED	£ 0.00	3,829.27	1,335.45	0.00	0.00	0.00	0.00	0.00	1,335.45
DBIPLA	DBI PLASTICS LTD	£ 0.00	1,235.70	287.53	0.00	0.00	0.00	287.53	0.00	0.00
DFAMED	DFA MEDIA LIMITED	£ 0.00	440.00	517.00	0.00	0.00	0.00	0.00	0.00	517.00
ELMBRI	ELMBRIDGE SUPPLIES COMP	£ 0.00	13,156.87	7,369.72	0.00	0.00	0.00	251.75	769.50	6,348.47
EPICOR	EPICOR MANUFACTURING	£ 0.00	95.53	80.50	0.00	0.00	80.50	0.00	0.00	0.00
EURBAR	UCB FERROCAST LTD	£ 0.00	38,778.07	23,764.53	0.00	0.00	0.00	0.00	8,928.47	14,836.06
EUROSP	AIRBLAST EUROSPRAY LTD	£ 0.00	248.71	289.69	0.00	0.00	117.30	0.00	0.00	172.39
FARMPO	FARMPOWER INTER LTD	£ 0.00	22.92	26.93	0.00	0.00	0.00	26.93	0.00	0.00
FASTTO	FAST TOOLS LIMITED	£ 0.00	86,463.16	43,398.77	0.00	0.00	0.00	4,520.90	12,778.16	26,099.71
FLUIDP	FPE LTD	£ 0.00	15,357.49	6,346.70	0.00	0.00	0.00	534.45	1,948.69	3,863.56
FORTIS	FORTIS LEASE UK LTD	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FOURCO	FOUR COUNTIES	£ 0.00	4,577.15	3,196.65	0.00	0.00	0.00	0.00	691.31	2,505.34
FOWLER	FOWLER SHELDON LTD	£ 0.00	0.00	66.46	0.00	0.00	0.00	0.00	0.00	66.46
FOWNHO	FOWNHOPE MOTORS LTD	£ 0.00	199.65	234.58	0.00	0.00	0.00	0.00	0.00	234.58
FREUD	FREUDENBERG SIMRIT LTD	£ 0.00	181.00	106.34	0.00	0.00	0.00	0.00	0.00	106.34
GARRAT	GARRATTS	£ 0.00	9,925.00	495.11	0.00	0.00	195.50	99.87	199.74	0.00
GBQUAL	GB QUALITY ASSURANCE	£ 0.00	51.00	59.93	0.00	0.00	0.00	0.00	0.00	59.93
GECAP	GE CAPITAL EQUIPMENT	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GENER	GENERAL GUARANTEE CO	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GLOMAC	GLOBAL MACHINE TOOLS	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GORDIA	GORDIAN STRAPPING LTD	£ 0.00	3,383.35	1,236.91	0.00	0.00	0.00	0.00	0.00	1,236.91
HALLIT	HALLITE SEALS INT. LTD.	£ 50,000.00	114,455.74	60,663.73	0.00	0.00	3,478.00	-1,014.73	15,495.15	42,705.31
HARRIS	HARRISON SAW & TOOL LTD	£ 0.00	4,162.48	2,044.67	0.00	0.00	0.00	1,016.46	338.82	689.39
HERFAS	HEREFORD FASTENINGS CO	£ 0.00	5,430.45	1,003.77	0.00	0.00	123.71	181.95	698.11	0.00
HERGRO	HEREFORDSHIRE GROUP	£ 0.00	504.83	333.84	0.00	0.00	166.92	0.00	0.00	166.92
HERIND	HEREFORD INDUSTRIAL	£ 0.00	241.10	100.71	0.00	0.00	0.00	34.20	0.00	66.51
HERMET	HEREFORD METAL	£ 0.00	9,416.80	486.09	0.00	0.00	97.75	388.34	0.00	0.00
HFGLL	HFGL LIMITED	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HFTFOR	HFT FORKLIFTS LTD	£ 0.00	3,756.50	1,277.52	0.00	0.00	0.00	0.00	604.54	672.98
HKBSTE	HKB STEEL SERVICES LTD	£ 0.00	103,363.78	81,402.96	0.00	0.00	0.00	0.00	21,407.70	59,995.26
HLPTUB	HLP TUBE FORMERS	£ 0.00	6,098.02	1,775.55	0.00	0.00	0.00	404.62	1,370.93	0.00

Date: 29/01/2009

Time: 13:37:51

WRAYRAM ENGINEERS LTD

Aged Creditors Analysis (Summary)

A/C	Name	Credit Limit	Turnover	Balance	Future	Current	Period 1	Period 2	Period 3	Older
HSBCEQ	HSBC EQUIPMENT FINANCE	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
HYDAPP	HYDR-APP (UK) LIMITED	£ 0.00	0.00	441.86	0.00	0.00	0.00	0.00	0.00	441.86
IMMHYD	IMM HYDRAULICS (UK) LTD	£ 0.00	5,566.72	937.73	0.00	0.00	0.00	178.01	208.60	551.12
INDEN	IDENTISYS LTD	£ 0.00	5,117.00	313.73	0.00	0.00	0.00	313.73	0.00	0.00
INGLE	ING LEASE (UK) LTD	£ 0.00	60.00	70.50	0.00	0.00	0.00	70.50	0.00	0.00
INTEGR	INTEGRATED HYDRAULICS	£ 0.00	1,837.32	631.45	0.00	0.00	0.00	0.00	0.00	631.45
IPCLTD	INTERPOLY CHEMICALS LTD	£ 0.00	639.86	405.30	0.00	0.00	0.00	0.00	405.30	0.00
JKTELE	PACE TELECOM LTD	£ 0.00	1,545.78	1,207.64	0.00	0.00	0.00	-1,154.78	2,309.54	52.88
JOHNST	JOHN STOKES (HARD	£ 0.00	77,052.45	18,482.89	0.00	0.00	113.85	58.75	12,126.87	6,183.42
JPSEC	J P SECURITY	£ 0.00	1,450.00	140.00	0.00	0.00	140.00	0.00	0.00	0.00
JSLFAS	PRECISION PROFILES	£ 0.00	106.33	124.93	0.00	0.00	0.00	0.00	0.00	124.93
KALTEN	KALTENBACH LTD.	£ 0.00	125.01	91.74	0.00	0.00	0.00	0.00	0.00	91.74
KGDIND	K G D INDUSTRIAL	£ 0.00	11,491.00	1,950.18	0.00	0.00	879.75	1,070.43	0.00	0.00
LEIENV	VEOLIA ENVIRONMENTAL	£ 0.00	6,124.40	2,410.03	0.00	0.00	198.06	564.36	755.78	891.83
LIFTHO	LIFT HOLD AND SEPARATE	£ 0.00	100.00	117.50	0.00	0.00	0.00	0.00	0.00	117.50
LOMBAR	LOMBARD NORTH CENTRAL	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LOMNOR	LOMARD NORTH CENTRAL	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LOSNO	LO SNODO SRL	£ 0.00	1,723.74	975.00	0.00	0.00	0.00	0.00	0.00	975.00
MACEPL	MACEPLAST UK LTD	£ 0.00	9,549.25	5,355.11	0.00	0.00	0.00	0.00	0.00	5,355.11
MAFOR	M A FORD EUROPE LTD	£ 0.00	711.90	315.66	0.00	0.00	0.00	0.00	0.00	315.66
MAGEN	MAGENTA TECHNOLOGY	£ 0.00	418.07	171.30	0.00	0.00	54.91	63.41	52.98	0.00
MALTH	MALTHOUSE ENGINEERING	£ 0.00	9,897.09	9,179.04	0.00	0.00	77.79	539.75	1,662.39	6,899.11
MARSH	MARSHALL LANGSTON	£ 0.00	966.40	258.43	0.00	0.00	0.00	0.00	0.00	258.43
MAZAK	YAMAZAKI MAZAK U.K.	£ 0.00	1,093.41	236.07	0.00	0.00	0.00	236.07	0.00	0.00
MERCIA	MERCIAN LIFTING GEAR	£ 0.00	839.47	239.20	0.00	0.00	239.20	0.00	0.00	0.00
MICRON	MICRON METROLOGY 2000	£ 0.00	1,592.27	777.71	0.00	0.00	0.00	110.19	203.00	464.52
MIDHEA	MIDLAND HEAT	£ 0.00	1,977.66	914.05	0.00	0.00	0.00	0.00	267.55	646.50
MIDST	MIDSTEEL BARS LTD	£ 0.00	61,749.32	36,756.89	0.00	0.00	0.00	594.69	8,870.18	27,292.02
MPINCH	M PINCHES & SONS LTD	£ 0.00	250.00	293.75	0.00	0.00	0.00	0.00	0.00	293.75
NEWPI	NEW PIG LTD	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NIELD	NIELDS PLASTIC CO LTD	£ 0.00	550.00	117.50	0.00	0.00	0.00	0.00	117.50	0.00
NITRO	TTI GROUP LIMITED	£ 0.00	8,716.72	5,868.65	0.00	0.00	0.00	0.00	4,195.00	1,673.65
NTRLTD	NTR LTD	£ 0.00	547.38	44.55	0.00	0.00	0.00	0.00	44.55	0.00
NTSMEC	NATIONAL TUBE	£ 0.00	362,334.55	247,058.96	0.00	0.00	968.45	908.18	34,143.42	211,038.91
OSCOTT	OSCOTT AIR LTD	£ 0.00	1,662.77	1,020.22	0.00	0.00	0.00	0.00	0.00	1,020.22
OSWALD	ERIKS INDUSTRIAL	£ 0.00	157.55	29.32	0.00	0.00	0.00	0.00	29.32	0.00
PALLET	PALLET EXPRESS	£ 0.00	4,407.00	1,230.23	0.00	0.00	0.00	0.00	857.46	372.77
PETRO	PETROFER UK PLC	£ 0.00	2,937.00	549.90	0.00	0.00	0.00	0.00	0.00	549.90
PINST	PINSTRUCTURE LTD	£ 0.00	3,729.45	2,028.75	0.00	0.00	0.00	0.00	518.41	1,510.34
PIPET	BENTELER DISTRIBUTION	£ 0.00	5,907.74	2,634.94	0.00	0.00	0.00	0.00	0.00	2,634.94
POWGEN	E-ON	£ 0.00	3,777.75	1,687.19	0.00	0.00	1,687.19	0.00	0.00	0.00
POWRDM	LLOYDS TSB COMMERCIAL	£ 0.00	16,061.48	1,700.04	0.00	0.00	0.00	41.83	413.32	1,244.89
PREVAN	PREMIER VANGUARD LTD	£ 0.00	102.28	120.18	0.00	0.00	0.00	0.00	120.18	0.00
QUALME	QUALMET MANGEMENT	£ 0.00	2,105.00	934.14	0.00	0.00	0.00	0.00	311.38	622.76
RANGER	RANGER CARADOC	£ 0.00	7,323.25	3,337.66	0.00	0.00	0.00	0.00	1,558.70	1,778.96
RDOUGH	DOUGHTY PRESSINGS LTD	£ 0.00	6,606.67	5,683.71	0.00	0.00	0.00	0.00	0.00	5,683.71
RELATE	RELATED FLUID POWER LTD	£ 5,000.00	2,428.00	1,108.83	0.00	0.00	882.05	226.78	0.00	0.00
RICHAR	RICHARD WESTERN LTD	£ 0.00	0.00	131.22	0.00	0.00	0.00	0.00	0.00	131.22
ROLLSF	ROLLS FREIGHT LIMITED	£ 0.00	1,155.00	340.76	0.00	0.00	0.00	117.50	0.00	223.26
RSCOMP	RS COMPONENTS LTD	£ 0.00	681.85	204.56	0.00	0.00	0.00	23.90	0.00	180.66
SAFETY	SAFETY & IND. TRAINING	£ 0.00	1,775.00	450.00	0.00	0.00	0.00	0.00	0.00	450.00
SAFGU	SG WORLD LTD	£ 0.00	30.85	36.25	0.00	0.00	0.00	0.00	36.25	0.00
SAFKLE	SAFETY-KLEEN UK LTD	£ 0.00	540.00	373.66	0.00	0.00	0.00	130.43	112.80	130.43
SAGEGR	SAGE (UK) LTD	£ 0.00	1,299.04	1,383.24	0.00	0.00	0.00	0.00	1,383.24	0.00
SEALS	SEALS & COMPONENTS LTD	£ 0.00	82.91	5.53	0.00	0.00	5.53	0.00	0.00	0.00
SEIVAD	SEIVAD ENGINEERING LTD	£ 0.00	5,351.25	2,711.31	0.00	0.00	0.00	0.00	0.00	2,711.31
SENTIN	SENTINEL SECURITY	£ 0.00	755.00	392.45	0.00	0.00	0.00	392.45	0.00	0.00
SKITYR	SKI TYRES LTD	£ 0.00	832.86	400.55	0.00	0.00	0.00	0.00	339.45	61.10
SPCBUK	SPCB (UK) LTD	£ 0.00	950.20	542.38	0.00	0.00	0.00	0.00	0.00	542.38
SPECSA	SPECSAVERS OPTICIANS	£ 0.00	197.77	98.00	0.00	0.00	0.00	0.00	0.00	98.00
SPEHEA	SPEARHEAD MACHINERY	£ 0.00	0.00	321.95	0.00	0.00	0.00	0.00	0.00	321.95
SPENCE	SPENCER COATINGS LTD	£ 5,000.00	5,985.97	2,500.65	0.00	0.00	0.00	0.00	1,355.41	1,145.24
SPXPO	SPX HYDRAULIC	£ 0.00	14,349.75	3,813.20	0.00	0.00	0.00	0.00	810.00	3,003.20
STAND	STANDARD INDUSTRIAL	£ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
STEER	STEERFORTH SALES LTD	£ 0.00	4,472.26	1,356.20	0.00	0.00	0.00	323.72	802.41	230.07
SWALEC	SWALEC	£ 0.00	1,746.45	217.49	0.00	0.00	217.49	0.00	0.00	0.00
TAKISA	TAKISAWA UK LIMITED	£ 0.00	16,514.40	1,210.49	0.00	0.00	0.00	503.37	707.12	0.00
TECCUT	TECHNICUT LTD	£ 0.00	4,560.70	557.42	0.00	0.00	0.00	0.00	0.00	557.42
TECHNI	TECH HOSE LLP	£ 0.00	8,855.25	900.26	0.00	0.00	172.22	384.70	343.34	0.00
TECMAN	TECMAN SPECIALITY	£ 0.00	9,002.23	4,134.04	0.00	0.00	0.00	1,519.44	1,238.44	1,376.16
THAVAL	THAMES VALLEY SAW	£ 0.00	3,085.20	1,035.05	0.00	0.00	181.71	302.56	545.78	5.00
TITAN	TITAN METAL	£ 0.00	1,044.14	33.89	0.00	0.00	0.00	0.00	33.89	0.00

Date: 29/01/2009
Time: 13:37:51

WRAYRAM ENGINEERS LTD

Aged Creditors Analysis (Summary)

A/C	Name		Credit Limit	Turnover	Balance	Future	Current	Period 1	Period 2	Period 3	Other
TNTUKL	TNT UK LIMITED	£	0.00	677.50	339.16	0.00	0.00	0.00	86.96	252.20	0.00
TRANSG	TRANS GLOBAL FREIGHT	£	0.00	958.35	411.59	0.00	0.00	0.00	258.05	0.00	153.54
TUDOR	TUDORS BUILDING	£	2,000.00	0.00	-57.66	0.00	0.00	0.00	0.00	0.00	-57.66
TUFFNE	TUFFNELLS PARCELS	£	0.00	7,142.66	1,817.34	0.00	0.00	407.11	752.37	657.86	0.00
UNISU	UNIVERSAL SUPPLIES	£	0.00	1,748.26	1,323.35	0.00	0.00	0.00	0.00	502.31	821.04
VISTAINF	ALPHAGEN	£	0.00	2,814.88	3,779.50	0.00	0.00	0.00	3,307.48	0.00	472.02
VOTEX	VOTEX HEREFORD LTD	£	0.00	16,237.12	1,851.68	0.00	0.00	0.00	0.00	0.00	1,851.68
WERECO	WERECON ENGINEERING	£	0.00	212,609.33	43,000.00	0.00	0.00	0.00	0.00	43,000.00	0.00
WESMID	WEST MIDLANDS	£	0.00	953.73	605.97	0.00	0.00	0.00	22.98	660.94	-77.95
WESSEX	WESSEX METROLOGY	£	0.00	1,256.25	497.30	0.00	0.00	136.10	0.00	0.00	361.20
WHEELE	VAN LEEUWEN WHEELER	£	0.00	231,805.91	202,013.88	0.00	0.00	0.00	9,504.61	46,156.12	146,353.15
WILGO	WILGO FREIGHT SERVICES	£	0.00	2,134.00	942.00	0.00	0.00	0.00	425.00	0.00	517.00
WILLHAU	WILLIAMS HAULAGE LTD	£	0.00	1,996.95	437.64	0.00	0.00	0.00	143.35	294.29	0.00
WOODBE	WOODBERRY CHILLCOTT &	£	0.00	1,937.13	838.24	0.00	0.00	0.00	484.84	288.40	65.00
YEOMAN	YEOMANS SONS &	£	0.00	0.00	58.75	0.00	0.00	0.00	0.00	0.00	58.75
	Totals:			1,978,791.57	1,054,066.68	0.00	0.00	14,725.48	42,417.29	286,733.37	710,190.34

End of Report

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

I The initial meeting of creditors and the creditors' committee

Who will be at the meeting?

One of the Administrators or a person nominated by them in writing will chair the meeting and answer creditors' questions (Rule 2.36). There is no obligation on the directors of the Company to attend unless they are required to do so by the Administrators (Rule 2.34(2)).

What will happen at the meeting?

It will be assumed that creditors will already have received and read the Administrators' proposals. The meeting will give creditors an opportunity to put questions to the Administrators. The meeting will then consider and vote upon any modifications that individual creditors might put forward, following which a vote will be taken upon the whole proposals as modified.

Various other resolutions might be considered, in particular those dealing with the basis of the Administrators' remuneration and the appointment and composition of any creditors' committee.

Am I obliged to attend the creditors' meeting?

You are not obliged to attend the creditors' meeting. The law recognises that creditors are not always able to attend in person and allows you to ask a representative to attend as proxy and vote on your behalf. You will not prejudice your claim and entitlement to dividend if you do not attend or appoint a proxy.

How do I ensure that my vote counts at the meeting?

In order to vote, a creditor must have submitted written details of his claim and the chairman must have admitted that claim for voting purposes following the guidelines below. These details need to be submitted to the Administrators no later than 12.00 noon on the business day before the meeting (Rule 2.38(1)). You might also need to lodge a proxy.

The chairman can admit a claim for voting purposes even though it was submitted late if he is satisfied this was due to reasons beyond the creditor's control (Rule 2.38(2)).

Do I need to lodge a proxy form?

If you yourself are the creditor (and not a corporate body such as a limited company), you may vote by simply attending the meeting, provided you have lodged a claim as explained above.

If you do not want to attend the meeting, you may nominate someone else, or the chairman of the meeting, to vote for you. They can vote either on your instructions or at their discretion. Do, however, remember that the chairman will be one of the Administrators or their staff and you might wish to consider specifying clearly how he should vote.

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

You must do this by completing the enclosed proxy form or a substantially similar form. The form needs to be signed by the creditor or by someone authorised by him and the nature of the person's authority to sign should be stated (Rule 8.2). If a company is the creditor, a director should normally sign. The proxy form must then be submitted at or before the meeting.

Please remember that if the debt is owed to a limited company or other corporation and you wish to attend and vote at the meeting, you should complete and return the proxy form even if you are a director of the company. (Alternatively you can produce at the meeting a resolution of the directors authorising you to represent that company.) (Rule 8.7).

Who decides whether my claim ranks for voting purposes?

The chairman has the power to accept or reject the whole or any part of your claim (Rule 2.39(1)). If he is in doubt whether your claim should be admitted, he should mark it as objected to and allow you to vote. If however, the objection is sustained, then your vote will be declared invalid (Rule 2.39(3)). If your vote was critical to the outcome of the meeting, this could change the resolutions that were passed and/or result in a further meeting (Rule 2.39(4)).

What happens if I disagree with the chairman's?

You are entitled to appeal to the court for an order reversing the chairman's / Administrator's decision on your claim provided you do so within 14 days of the Administrator reporting the result of the meeting to the court, the Registrar of Companies and the creditors (Rule 2.39(5)). If the court does reverse the chairman's decision it can order that another meeting be held or make such other order as it thinks just (Rule 2.39(4)).

Creditors also have the right to appeal to the court if they believe that the administration unfairly harms their interests (Paragraph 74(1) Sch.B1 IA86).

We recommend that you seek legal advice about the merits of taking these steps in any particular circumstances.

How do I calculate my claim for voting purposes?

Votes are calculated according to the amount of a creditor's claim as at the date on which the Company entered administration, less any payments that have been made to him after that date in respect of his claim and any adjustments by way of set-off in accordance with Rule 2.85 as if that Rule were applied on the date that the votes were counted (Rule 2.38(4)).

What majorities are needed to approve resolutions?

A resolution to approve the proposals or any modification to them is passed at the creditors' meeting if supported by a majority in excess of 50% in value of the creditors voting on the resolution (Rule 2.43(1)).

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

Any resolution is invalid if those voting against it include more than 50% in value of the creditors to whom notice of the meeting was sent and who are not, to the best of the chairman's belief, connected with the Company (Rule 2.43(2)).

What happens if I cannot yet quantify my claim with certainty?

A creditor cannot vote in respect of a debt for an unliquidated amount or any debt whose value is not ascertained, unless the chairman agrees to put on the debt an estimated minimum value for voting purposes (Rule 2.38(5)).

What happens if my debt is wholly or partly secured?

A secured creditor whose debt is wholly or partly secured is entitled to vote only in respect of the balance (if any) of his debt after deducting the value of his security as estimated by him. However, if the Administrators have made a statement under Paragraph 52(1)(b) Sch.B1 IA86 and an initial creditors' meeting has been requisitioned by creditors under Paragraph 52(2) Sch.B1 IA86, a secured creditor is entitled to vote in respect of the full value of this debt without any deduction for the value of his security (Rule 2.40).

What happens if I hold a negotiable instrument?

A creditor shall not vote in respect of a debt on or secured by a current bill of exchange or promissory note unless he is willing: -

a) to treat the liability to him on the bill or note of every person who is liable on it antecedently to the Company and against whom a bankruptcy order has not been made (or in the case of a company, which has not gone into liquidation) as security in his hands; and

b) to estimate the value of the security and, for the purpose of his entitlement to vote, to deduct it from his claim (Rule 2.41).

What happens if I am a creditor under a hire-purchase, conditional sale agreement or leasing agreement?

An owner of goods under a hire-purchase or chattel leasing agreement, or a seller of goods under a conditional sale agreement is entitled to vote in respect of the amount of the debt due and payable to him by the Company on the date the Company entered Administration. In calculating the amount of any debt for this purpose, no account shall be taken of any amount attributable to the exercise of any right under the relevant agreement, so far as the right has become exercisable solely by virtue of: -

- the making of an administration application
- a notice of intention to appoint an administrator or any matter arising as a consequence, or
- of the Company entering administration (Rule 2.42).

Am I bound by the Administrators' proposals if they are approved at the meeting?

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

The Administrators' proposals, when approved by the creditors' meeting, will dictate how the Company's affairs will be conducted in future and how creditors' claims will be addressed.

Once approved the proposals are binding on all creditors, including those not present or represented at the meeting. For this reason, it is important that creditors properly consider the proposals and decide whether and how they wish to vote.

What are the functions of the creditors' committee?

The creditors' committee shall assist the Administrator in discharging his functions, and act in relation to him in such manner as may be agreed from time to time (Rule 2.52(1)).

In particular, it has the duty to agree the basis of the Administrator's remuneration (Rule 2.106(3)).

How is the creditors' committee formed?

The creditors' committee is established at a creditors' meeting. It is not obligatory but the creditors decide whether they wish to have one (Paragraph 57(1) Sch.B1 IA86).

The committee must consist of at least three and not more than five creditors of the company elected at the meeting (Rule 2.50(1)).

Any creditor of the company is eligible to be a member of the committee, so long as his claim has not been rejected for the purpose of his entitlement to vote (Rule 2.50(2). A body corporate may be a member of the committee, but it can only act as such through a properly appointed representative (Rule 2.50(3)).

No person may act as a member of the committee unless and until he has agreed to do so (Rule 2.51(2)). Unless the relevant proxy or authorisation contains a statement to the contrary, such agreement may be given by the creditor's proxy-holder or representative under Section 375 of the Companies Act 1985 present at the meeting establishing the committee (Rule 2.51(2)).

A person acting as a committee member's representative must hold a letter of authority entitling him so to act (either generally or specially) and signed by or on behalf of the committee-member (Rule 2.55(2)).

No member may be represented by a body corporate, or by a person who is an undischarged bankrupt, a disqualified director or a person who is subject to a bankruptcy restrictions order, bankruptcy restrictions undertaking or interim bankruptcy restrictions order or is subject to a composition or arrangement with his creditors (Rule 2.55(4)).

No person shall on the same committee act at one and the same time as representative of more than one committee-member (Rule 2.55(5)).

Appendix B Common questions and answers (references to “Rules” are to the Insolvency Rules 1986)

The creditors' committee does not come into being, and accordingly cannot act, until the Administrator has issued a certificate of its due constitution (Rule 2.51(1)).

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

II A creditor's guide to administrators' fees (in accordance with Statement of Insolvency Practice No.9)

The following information about the Administrators' fees is from Statement of Insolvency Practice No.9 ("SIP 9") produced by the Association of Business Recovery Professionals, Appendix C: A Creditors' Guide to Administrators' Fees (England and Wales) (Revised with effect from 1 April 2007).

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 eventually 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 determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation 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 to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks 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.

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

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 would. 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 out 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

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

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

Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

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 an 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. In all subsequent reports to creditors the administrator 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.

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

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 as an expense of the administration.

7 What if the administrator is dissatisfied?

7.1 If the administrator considers that the remuneration fixed by the creditors' 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 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 creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's 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 as an expense of the administration.

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.

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 be made within two years from vacation of office. **(SIP 9 VERSION 5 – APRIL 2007)**

Appendix C The Administrators' charging and disbursements recovery policy

Overview of the Administrators' strategy and objectives

Anthony Barrell and Robert Hunt were appointed Administrators of the Company on 5 January 2009 with the objective of:

(a) Primarily, rescuing the Company as a going concern, or failing that
(b) 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 finally
(c) Realising property in order to make a distribution to one or more secured or preferential creditors.

As stated earlier in the proposals, the Company's principal assets were stock, fixed assets and trade debtors. On appointment we reviewed the order position, trading costs and potential for a going concern sale. As explained, we took the decision to cease production and made 41 employees redundant. We then implemented a strategy of maximising realisations from the bespoke finished goods stock, whilst also seeking a potential purchaser for the remaining business and assets.

On appointment, we contacted customers to sell the bespoke finished goods. During the administration period, we achieved sales of £353,000. The remaining finished goods, work in progress and raw materials had minimal value and consequently all the remaining stock was sold for £20,000 to Wye Cylinder Engineering Limited, a company formed by one of the Company's directors, Ken Bayliss, (subject to retention of title claims).

Summary of legal and other professional firms

The Administrators have instructed the following professionals / subcontractors: -

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal advice	DLA Piper UK Limited	Relevant experience	Time costs
Chattel agents and valuers	GVA Grimleys Limited	Industry knowledge	Time costs

All third party professionals are required to submit time costs analyses and narrative in support of invoices rendered. The Administrators undertake to review these documents to be satisfied that the fees charged are reasonable in the circumstances of the case.

Office holder's charging and disbursement policy

The time charged to the Administration is by reference to the time properly given by the Administrators and their staff in attending to matters arising.

Appendix C The Administrators' charging and disbursements recovery policy

It is the Administrators' policy to delegate tasks in the Administration to appropriate members of staff considering their level of experience and any requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or the Administrators themselves.

Set out below are the relevant charge-out rates per hour worked for the grades of the Administrators' staff actually or likely to be involved on this assignment. Time is charged by reference to actual work carried out on the assignment. There has been no allocation of any general costs or overhead costs.

Grade	Relevant maximum charge out rate per hour £
Partner	475
Director	360
Senior Manager	315
Manager	260
Senior associate – qualified / consultant	205
Senior associate – unqualified	150
Associate	125
Support staff	68

Specialist departments within the Administrators' firm such as Tax, VAT, Property and Pensions may charge a small number of hours if and when the Administrators require their expert advice. Such specialists' rates do vary but the figures below provide an indication of the maximum rate per hour.

Grade	Relevant maximum charge out rate per hour £
Partner	830
Director	660
Senior Manager	570
Manager	470
Senior associate – qualified / consultant	310
Senior associate – unqualified	-
Associate	200
Support staff	80

In common with all professional firms, the scale rates used by the Administrators (from PricewaterhouseCoopers LLP) may periodically rise (for example to cover annual inflationary cost increases) over the period of the Administration. Any material amendments to these rates will be advised to the creditors and / or the creditors' committee in the next statutory report.

Appendix C The Administrators' charging and disbursements recovery policy

The Administrators' firm's expenses policy allows for all properly incurred expenses to be recharged to the case. Disbursements are charged to the assignment as follows: -

Disbursements for services provided by the Administrators' own firm (Category 2 disbursements)

		Costs to date	
		£	£
Category 2 disbursements			
Photocopying	At 3 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	104.34	
Mileage	At a maximum of 62 pence per mile (up to 2,000cc) or 81 pence per mile (over 2,000cc)	2,285.48	
			2,389.82
Category 1 disbursements			
All other disbursements charged at cost			279.21
Total			2,669.03

Narrative of work carried out for the period 5 January 2009 to 15 February 2009

The key areas of work have been:

- Strategy and planning issues;
- Negotiations for a sale of the business and assets;
- Realisation of stock;
- Compliance and statutory matters;
- Employee redundancies, claims and other matters.

Appendix C The Administrators' charging and disbursements recovery policy

Charge-out rate summary for the period 5 January 2009 to 15 February 2009

Classification of work function	Hours								Time cost £	Average hourly rate £
	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support	Total hours		
Strategy and planning	-	22.50	-	29.60	18.00	-	-	70.10	19,486.05	277.98
Accounting and treasury	-	-	0.40	0.50	9.75	2.55	0.85	14.05	2,095.09	149.12
Statutory and other compliance	-	4.50	-	17.98	50.25	-	1.00	73.73	16,655.83	225.90
Sale of business	-	18.50	-	22.75	9.00	-	-	50.25	14,420.07	286.97
Freehold/leasehold property	-	-	-	4.80	-	-	-	4.80	1,248.01	260.00
Site clearance	-	-	-	-	-	-	-	-	-	-
Other assets	-	4.00	-	1.90	-	-	-	5.90	1,934.00	327.80
Trading/stock realisation	-	-	-	36.08	120.50	-	-	156.58	34,083.71	217.68
Retention of title	-	-	-	-	10.50	-	-	10.50	2,152.51	205.00
Employees / pensions	-	-	1.10	9.80	52.75	-	-	63.65	13,986.17	219.74
Tax/VAT	-	-	-	5.20	-	-	-	5.20	1,352.03	260.01
Investigations	-	-	-	-	-	-	-	-	-	-
Creditor enquiries	-	2.00	0.05	-	3.40	-	3.55	9.00	1,624.65	180.52
Claims agreement / distributions	-	-	-	-	-	-	-	-	-	-
Reporting	-	3.00	-	2.00	42.00	-	2.00	49.00	10,345.91	211.14
Closure/exit routes	-	-	-	-	-	-	-	-	-	-
Total hours	-	54.50	1.55	130.61	316.15	2.55	7.40	512.76		232.83
Total fees claimed £	-	19,619.95	691.77	33,959.00	64,291.37	318.75	503.19		119,384.03	

Appendix D Details of connected party transactions

The following is provided in accordance with Statement of Insolvency Practise No.13:

Date of transaction	• 9 February 2009
Assets acquired	• Stock and assets of the Company
Consideration	• The price which was payable upon completion of the sale was £75,000. • In addition, deferred consideration of £25,000 is payable on 9 March 2009.
Counterparty / Purchaser	• A newly formed company, Wye Cylinder Engineering Limited. • Registered office: 29 Waterloo Road, Wolverhampton, WV1 4DJ.
Counterparty's relationship with the vendor	• The Company and the purchaser share the following common director: Ken Bayliss
Advice received	• The purchaser received legal advice from a firm of independent professional solicitors.