

# AM10

## Notice of administrator's progress report



Companies House

SATURDAY



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22/07/2017

#149

COMPANIES HOUSE

### 1 Company details

Company number 0 2 2 8 6 5 3 2

Company name in full Accordial Wall Systems Limited ✓

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Mark

Surname Phillips

### 3 Administrator's address

Building name/number St Martin's House

Street The Runway

Post town South Ruislip

County/Region

Postcode M i d d l e s e x ,

Country

### 4 Administrator's name ①

Full forename(s) Julie

Surname Swan

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number St Martin's House

Street The Runway

Post town South Ruislip

County/Region

Postcode M i d d l e s e x ,

Country

② Other administrator  
Use this section to tell us about  
another administrator

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d	0	d	1	m	1	m	2	y	2	y	0	y	1	y	6
To date	d	3	d	1	m	0	m	5	y	2	y	0	y	1	y	7

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X  X

Signature date	d	2	d	8	m	0	m	6	y	2	y	0	y	1	y	7
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# AM10

## Notice of administrator's progress report



### Presenter information

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

Contact name	Mark Phillips
Company name	PCR (London) LLP
Address	St Martin's House The Runway
Post town	South Ruislip
County/Region	
Postcode	M i d d l e s e x
Country	
DX	
Telephone	020 8841 5252



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



### Important information

All information on this form will appear on the public record.



### Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

**Accordial Wall Systems Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 01/12/2016 To 31/05/2017 £	From 01/12/2016 To 31/05/2017 £
SECURED ASSETS		
Goodwill	5,000.00	5,000.00
	<u>5,000.00</u>	<u>5,000.00</u>
COSTS OF REALISATION		
Agents/Valuers Fees	300.00	300.00
	<u>(300.00)</u>	<u>(300.00)</u>
ASSET REALISATIONS		
Plant, Machinery and Office Equipment	5,000.00	5,000.00
Prepayments	0.50	0.50
Future Applications / Works in Progress	15,000.00	15,000.00
Book Debts	71,382.81	71,382.81
Retentions	33,527.43	33,527.43
Applications	275,331.24	275,331.24
Third Party Funds Received	211,742.85	211,742.85
Licence Fee & Service Charge	3,333.33	3,333.33
Rates Refund	(38.12)	(38.12)
Bank Interest Gross	62.88	62.88
Trading Surplus/(Deficit)	(3,999.99)	(3,999.99)
Miscellaneous Income	89.95	89.95
Funds to be Allocated	<u>1,030.45</u>	<u>1,030.45</u>
	612,463.33	612,463.33
COST OF REALISATIONS		
Specific Bond	940.00	940.00
Administrators' Pre-Appointment Fees	9,950.75	9,950.75
Administrators' Fees - Fixed	20,000.00	20,000.00
Administrators' Fees - Time Costs	9,339.50	9,339.50
Administrators' Fees - % of Realisation	22,801.24	22,801.24
Agents/Valuers Fees (1)	3,000.00	3,000.00
Agents/Valuers Fees (2)	171.76	171.76
Legal Fees	6,750.00	6,750.00
Legal Disbursements	50.00	50.00
Third Party Funds Reimbursed	211,742.85	211,742.85
Statutory Advertising	146.00	146.00
Bank Charges	90.70	90.70
Collection Fee	<u>134,816.66</u>	<u>134,816.66</u>
	(419,799.46)	(419,799.46)
FLOATING CHARGE CREDITORS		
(67,998.54) Floating Charge Creditor	<u>67,998.54</u>	<u>67,998.54</u>
	(67,998.54)	(67,998.54)
<b>(67,998.54)</b>	<b><u>129,365.33</u></b>	<b><u>129,365.33</u></b>
REPRESENTED BY		
VAT Receivable		41,695.42
Bank 1 - Current		149,192.84
VAT Payable		(61,522.93)
		<b><u>129,365.33</u></b>

**Accordial Wall Systems Limited**  
**(In Administration)**  
**Joint Administrators' Trading Account**

Statement of Affairs £	From 01/12/2016 To 31/05/2017 £	From 01/12/2016 To 31/05/2017 £
TRADING EXPENDITURE		
Rents	3,999.99	3,999.99
	(3,999.99)	(3,999.99)
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>(3,999.99)</b>	<b>(3,999.99)</b>



**Accordial Wall Systems Limited  
(In Administration)**

**Report and Joint Administrators' Progress Report  
to Creditors pursuant to Rule 18.6  
of the Insolvency Rules 2016**

**For the Period  
1 December 2016 to 31 May 2017**

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- III Schedule of Unsecured Creditors' Claims

## **1. Introduction**

We, Mark Phillips and Julie Swan were appointed Joint Administrators of Accordial Wall Systems Limited ("the Company") on 1 December 2016 by the Directors of the Company with the consent of HSBC Bank plc, as holder of a qualifying floating charge.

This progress report is for the period 1 December 2016 to 31 May 2017 and should be read in conjunction with our Statement of Proposals, which was circulated to creditors on 7 December 2016 and subsequently approved at a meeting of creditors held by correspondence on 22 December 2016.

## **2. Appointment Information**

Date of appointment: 1 December 2016

Appointment made by: Directors

Court name and reference: High Court of Justice, Chancery Division, No 7688 of 2016

Administrators appointed: Mark Phillips and Julie Swan of PCR (London) LLP, St Martin's House, The Runway, South Ruislip, Middlesex, HA4 6SE ("PCR")

Pursuant to Paragraph 100(2) of Schedule B1 Insolvency Act 1986 the Joint Administrators are jointly and severally responsible for each and every one of the roles imposed in administering the affairs of the Company during their term of office.

The references in this report to sections, paragraphs or rules are to the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules 2016, as amended.

## **3. Statutory Information**

Company Name: Accordial Wall Systems Limited

Registered Number: 02286532

Date of incorporation: 12 August 1988

Previous Company Name: N/A

Principal Trading Activity: 43999 - Other specialised construction activities not elsewhere classified

Registered Office: C/o PCR  
St Martin's House  
The Runway  
South Ruislip  
Middlesex  
HA4 6SE



Accordial Wall Systems Limited (In Administration)  
Joint Administrators' Progress Report to Creditors

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Former Registered Office: 35 Watford Metro Centre  
Tolpits Lane  
Watford  
Hertfordshire  
WD18 9XN

Former Trading Address: 35 Watford Metro Centre  
Tolpits Lane  
Watford  
Hertfordshire  
WD18 9XN

Court Reference: High Court of Justice, Chancery Division, No 7688 of 2016

Share Capital: 7,000 ordinary shares of £1 each

Accordial Group Holdings Limited	7,000	100%

Directorships:

Nicolas James	03/08/2016	In Office
Stephen Bernard James	Unknown	In Office
David Landy	01/07/1999	In Office
Alistair Jackson	01/02/2003	In Office
Neil Martin Jolley	01/11/2007	01/09/2016

Charges: The records at Companies House shows the following creditor with a fixed and floating charge registered over the Company's assets:

HSBC Bank PLC	11/06/2013	12/06/2013

#### **4. Circumstances leading to the appointment of the Administrators**

Accordial Wall Systems Limited ("the Company") was incorporated 28 March 1995 and operated as installer and supplier of bespoke and made to measure moveable walls and partition systems.

The Company is controlled by its Board of directors, which at the date of our appointment comprised David Landy, Stephen James and Nicholas James.

The Company supplies and installs products manufactured by Accordial Manufacturing Limited ("Manufacturing"), a company with common directors and also a subsidiary of Accordial Group Holdings Limited. Manufacturing is also in Administration and a sale of its business and assets was completed, in conjunction with the sale of the Company's business and assets, to the Purchaser.

The Company has generally traded profitably over the years and has not previously been the subject of any insolvency proceedings, nor made any formal arrangements with its creditors.

However, the Company has suffered from declining revenues in 2016 which in turn has resulted in cash flow issues.

The Company had use of an overdraft facility with HSBC, secured by fixed and floating charge debenture and cross guarantees from other group companies.

Whilst efforts were made to reduce costs, the Company was unable to service accrued liabilities and in October 2016 the directors sought advice on the Company's position and Mr Gary Cole, a director in other group companies, made an introduction to PCR.

It was clear at that stage that the Company's core business was good, but the group structure and the accrued historic liabilities clearly had to be dealt with.

The initial strategy was to propose a CVA, with a concurrent restructure of the group into a single trading entity. However, the success of the CVA and the ability to continue trading was largely dependent upon raising finance against its sales and application ledgers. Because of the nature of trade and the contracts where "applications for payment" are raised, rather than agreed invoices, only a small number of invoice financiers will deal with the construction industry. Whilst terms of finance reached an advanced stage, the financier had requested personal guarantees from the directors, which they were reluctant to provide, given their intention to scale back their involvement in the ongoing business.

In the meantime, the directors had been approached by the Purchaser on a speculative basis, with an interest initially in acquiring the Company on a share sale basis. As a result of the Company's financial position that was clearly not an attractive proposition to the Purchaser, but they remained interested in the opportunity and expressed a willingness to acquire the business and assets.

During this time, a creditor ITS (Exeter) Limited ("ITS"), had presented a statutory demand. Whilst there was disagreement as to the monies being claimed, the Company was not able to fully discharge the debt and instructed a solicitor to assist. ITS had indicated that they would proceed to present a winding up petition on the basis of the unpaid debt, which the Company would be unable to meet. Furthermore, other creditors had presented statutory demands and commenced action to obtain

County Court Judgments. HM Revenue & Customs ("HMRC") had also issued notice of recovery action to be taken.

Having recognised the financial position, the directors again sought advice from PCR on the options available and Mark Phillips of PCR attended a meeting on 21 November 2016 with representatives of the proposed Purchaser, who confirmed that they would be willing to acquire the business and assets of the Company, but only on a "pre-packaged" sale basis upon Administration.

It was apparent that a sale of the business as a going concern was likely to achieve the best outcome for creditors, both in terms of enhanced asset realisations and avoidance of statutory redundancy costs and other claims from customers that would arise on cessation of trade.

A Notice of Intention to Appoint Administrators was served upon all relevant parties pursuant to rule 2.20(2) of the Insolvency Rules 1986 on 23 November 2016 which provided a moratorium on any legal proceedings being commenced or continued against the Company for a period of 10 business days.

During the moratorium period, Lambert Smith Hampton were engaged ("LSH") as agents to assist with marketing of the business and assets, further information in relation to all of which is provided within this report. LSH had already provided a valuation of the tangible assets, which we had commissioned shortly after receiving our initial instruction.

It was only possible to market the business for sale for a short period prior to completing a sale, as the Company's employees were due to be paid on 25 November 2016 which the Company did not have liquid resources to meet. It was therefore considered essential that a sale of the business and assets be completed as soon as possible, either on or very soon after that date, to avoid staff resigning their positions because of non-payment.

LSH undertook a marketing campaign which included an advertisement on their business for sale website, email communication to their database of industry relevant contacts and exposure on other forms of social media.

It was apparent that the best opportunity for the continuity of the business and, in turn, recoverability for creditors would be achieved by the way of a sale to the proposed Purchaser, as the only party to have made an offer for the business and assets.

## **5. Joint Administrators' Proposals**

The Joint Administrators must perform their function with the purpose of achieving one of the following statutory objectives as set out in paragraph 3(1) of Schedule B1 of the Insolvency Act 1986.

- a) Rescuing the Company as a going concern; or*
- 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*
- c) Realising property in order to make a distribution to one or more secured or preferential creditors.*

The statutory purposes are set out as a hierarchy and an Administrator should consider the likelihood of achieving each one in descending order, therefore the rescue of a company is the priority. If this

cannot be achieved the next objective is to achieve a better return to the creditors, as a whole, and then to realise assets for the benefit of the preferential or secured creditors.

(a) Rescuing the Company as a going concern.

We considered arrangements which might have enabled this outcome to be achieved, but the financial circumstances of the Company meant that this was not possible. No third party funding was available and was unlikely to be secured due to the uncertainty as to returns on investment and/or securitisation.

(b) Achieving a better result for the Company's creditors as a whole

The Joint Administrators are pursuing this purpose. The sale of business and assets has enabled the business to continue trading which is likely to maximise value of the goodwill and other assets and preserve collectability of the sales ledger.

(c) Realising property in order to make a distribution to one or more secured or preferential creditors

As we are seeking to achieve the second statutory objective, we will not be pursuing the third statutory objective.

## **6. Progress of the Administration**

Please refer to our earlier issued report and proposals for further information in relation to asset realisations previously reported. Detailed information in this report has been restricted to realisations made since our last report, to avoid repetition.

Our Receipts and Payments account for the period from 1 December 2016 to 31 May 2017 is attached at Appendix I.

As detailed in the Joint Administrators appointment, the Sale and Purchase Agreement between the Company and GG204 Limited ("the Purchaser"), included that the Purchaser would act as our agent to collect the outstanding Retentions, Applications and Book Debts due to the Company on a commission basis. During the period covered by this report, we have continued to monitor the Retentions, Applications and Book Debts being received and arranging payment of commission to the Purchaser on a monthly basis. The sums received and paid out are detailed in the attached Receipts and Payments Account.

We have also complied with our statutory obligations and undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation. Our review work continues in this regard and whilst we are unable to provide detailed information further update will be provided to creditors in our next progress report.

## **7. Assets**

### **7.1 Application for Payment / Interim Payments**

As detailed in our proposals, the Company had issued Applications for interim and final payment which remained outstanding at the date of our appointment. Whilst this work in large part represented works done, many required completion works to be undertaken and the sale of business has ensured continuity such that those works can be completed, which has protected recoveries and ensured that sums due are not subject to counterclaims or set off, which might have been the case had the Company simply ceased to trade.

The sale and purchase agreement provided that the Purchaser would act as agent to the Joint Administrators in collection of outstanding Applications, for which it will be paid a commission of 35% of all sums recovered and received in the Administration.

In the period covered by this report, a sum of £349,746.57 has been received.

The Applications received and commission paid are both detailed on the attached Receipts and Payments Accounts.

### **7.2 Retentions**

As detailed in our proposals, the Company had outstanding Retentions, being sums withheld by customers on an agreed basis from interim and final payments to cover the cost of remedial work and repair once a contract is complete.

The sale and purchase agreements provide that the Purchaser will act as agent to the Joint Administrators in collection of outstanding Retentions, for which it will be paid a commission of 50% of all sums recovered and received in the Administration.

In the period covered by this report, a sum of £41,557.57 Has been received.

The Retentions received and commission paid are both detailed on the attached Receipts and Payments Accounts.

## **8. Liabilities & Estimated Outcome for Creditors**

### **8.1 Secured Creditors**

The Company had given a debenture to HSBC Bank plc containing fixed and floating charges over the Company's assets.

The charge was created on 11 June 2013 and registered at Companies House on 12 June 2013

The charge is a Qualifying Floating Charge, in accordance with the provisions of the Insolvency Act 1986. We have obtained legal opinion which has confirmed that the charge has been validly executed and registered.

The Company is also guarantor in respect of the secured liabilities of the Company and associated

companies as a result of cross guarantees across the group. Based on current information, it is anticipated that there will be sufficient realisations in the Administration of the Company to avoid the guarantee provisions becoming operative.

The liability to the Bank as at the date of our appointment was £67,998.54, which has been discharged out of realisations. In making the distribution to the Bank, partly out of floating charge realisations, provision has been made for the prescribed part, on which we comment further below.

## **8.2 Prescribed Part**

The Insolvency Act 1986 provides that, where a company has created a floating charge after 15 September 2003, the Administrator must make a prescribed part of the company's net property available to the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims.

As stated above, a fixed and floating charge was created after 15 September 2003 therefore, the prescribed part provisions apply, however, realisations have exceeded the sum due to the Bank and the value of the prescribed part that would have been applicable; as a result the secured creditor's indebtedness has been discharged in full and the equivalent of the prescribed part thereon, plus all remaining realisations are available to the unsecured creditors.

## **8.3 Preferential Creditors**

The Company had a total of 31 permanent staff members all of whom were transferred to the Purchaser automatically under the provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 upon sale of the business. Accordingly, there are no preferential claims from employees in the Administration.

## **8.4 Crown Creditors**

The Statement of Affairs included claims from HM Revenue & Customs ("HMRC") totalling £383,000 in relation to VAT and £131,486 in relation to PAYE, NIC and CIS. To date we have not received a claim from HMRC.

## **8.5 Other Unsecured Creditors**

A schedule of unsecured creditor claims is attached at Appendix IV.

Creditors are not necessarily prejudiced if the value of their claim stated in this report differs to that reflected in their own records. Creditors are invited to prove their claims and will be asked to do so specifically in the event that a dividend becomes payable.

## **8.6 Dividend Prospects**

Based on current information it is likely that a dividend will be paid to unsecured creditors. Creditors are advised that should they wish to prove their claim in the Administration and the envisaged subsequent liquidation, they must complete and return the Proof of Debt Form attached to Appendix V if they have not already done so. If you have already submitted proof of your claim you do not need to do so again; we will contact you if we have any queries in relation to it.

## 9. Investigations

We undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. At this stage, we are not aware of claims that could lead to recoveries for the estate.

Within three months of our appointment as Joint Administrators, we are required to submit a confidential submission to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the company. We confirm that we have complied with our statutory obligations in this regard, but we are unable to comment further.

## 10. Joint Administrators' Remuneration

### 10.1 Pre-Appointment Remuneration

The Joint Administrators' pre-appointment remuneration was approved by the unsecured creditors on 22 December 2016.

As detailed in our Proposals, the Joint Administrators were engaged by the Company to advise in relation to its affairs and to assist in placing it into Administration.

Our accrued time costs for assisting the Company for the period prior to our appointment as Administrators are £9,950.75 representing 24.75 hours work, giving an average charge out rate of £402.05 per hour across all grades of staff. Which has been paid out of realisations in the Administration in accordance with a resolution of creditors passed on 22 December 2016.

In addition, we engaged solicitors and agents to assist in placing the Company into Administration and the following information details the pre-appointment fees and expenses incurred.

Provider of Services	Total Fee Incurred £	Total Disbursements Incurred £	Fee Paid £	Balance Written Off £	Fee Outstanding £
PCR (London) LLP	9,950.75	0.00	9,950.75	NIL	NIL
Lambert Smith Hampton	3,000.00	171.76	3,171.76	NIL	NIL
Veale Wasbrough Vizards LLP	6,750.00	50.00	6,800.00	NIL	NIL
<b>Total</b>	<b>19,700.75</b>	<b>221.76</b>	<b>19,700.75</b>	<b>NIL</b>	<b>NIL</b>

### 10.2 Post-Appointment Remuneration

The Joint Administrators' post-appointment remuneration was authorised by unsecured creditors at a meeting held by correspondence on 22 December 2016 to be drawn as follows:

### 10.3 Fixed Fee

The Joint Administrators' fees for undertaking work in respect of all Statutory matters which includes all Administration and Planning, cashiering matters and dealing with Creditors as described in the

accompanying report prepared in connection with fee approval will be charged as a set fee of £20,000 to be drawn as soon as funds are available. We can confirm that the full £20,000 has been drawn.

#### **10.4 Percentage of Realisations**

The Joint Administrators' fees for undertaking work in respect of all matters in relation to Realisation of Applications and Retentions will be charged at 5% of all sums realised in relation to the Company's ledgers.

Based on realisations achieved, the Joint Administrators have drawn £22,801.24 to 31 May 2017 in respect of work done for which our fees were approved on a percentage of realisations.

#### **10.5 Time Cost Basis**

The Joint Administrators' fees for undertaking work in respect of all matters in relation to Investigations and Adjudicating and Payments of any Dividends to any class of creditors (if applicable) as described in the accompanying report prepared in connection with fee approval will be charged by reference to the time properly spent by us and our staff in dealing with the matters relating to the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken, and limited without further authority to the costs estimate detailed in the report, which are as follows:

##### ***I. Investigations***

<b>Description of work to be undertaken (at an Average Hourly Charge-out Rate of £215/hour)</b>	<b>Total Hours</b>	<b>Amount (£)</b>
Recovering the books and records of the case and obtaining completed Directors Questionnaires.	4	1,225
Preparing an inventory of the books and records recovered.	3.5	987.50
Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act and the Insolvency Service.	6	1,305
Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc. and analysing them for the purposes of the investigations.	9	1,860
Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.	15	2,805
<b>TOTAL</b>	<b>37.5</b>	<b>8,182.50</b>

To date we have incurred 25.90 hours dealing with these matters, at a cost of £6,670.50. We have drawn £6,670.50 on account of our accrued costs, which is within the fees estimate approved by creditors on 22 December 2016.



## II. Creditors

Description of work to be undertaken (at an Average Hourly Charge-out rate of £195/hour)	Total Hours	Amount (£)
<ul style="list-style-type: none"> <li>Dealing with general enquiries from creditors, including telephone contact, written and email correspondence and dealing with ROT claims.</li> <li><i>(N.B. The time estimated is based on the number of creditors in this case and averaging 0.1 units per creditor)</i></li> </ul>	9.9	1,930.50
<ul style="list-style-type: none"> <li>Reviewing and collating proofs of debt received from creditors, <i>(N.B. The time estimated is based on the number of creditors in this case and averaging 0.1 units per creditor)</i></li> </ul>	9.9	1,930.50
<ul style="list-style-type: none"> <li>Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims. <i>(N.B. The time estimated is based on the number of creditors in this case and averaging 0.1 units per creditor)</i></li> </ul>	9.9	1,930.50
<b>TOTAL</b>	<b>29.7</b>	<b>5,791.50</b>

To date we have incurred 25.90 hours dealing with these matters, at a cost of £5,919. We have drawn £2,669 on account of our accrued costs, which is within the fees estimate approved by creditors on 22 December 2016.

Please note that no work has been undertaken in respect to the adjudication and payment of dividends in this reporting period.

Attached at Appendix II is a Time Analysis for the period which provides details of activity costs incurred by staff grade.

A description of the routine work undertaken in the Administration to date is as follows:

### 1. Administration and Planning

- Statutory notifications and advertising.
- Preparing documentation required.
- Dealing with all routine correspondence.
- Maintaining physical case files and electronic case details on IPS case management software.
- Review and storage.
- Case bordereau.
- Strategy and progression planning
- Convening and holding a meeting of creditors by correspondence.

2. Cashiering

- Maintaining and managing the Administrators' cashbook and bank account.
- Ensuring statutory lodgements and tax lodgement obligations are met.

3. Creditors

- Dealing with creditor correspondence and telephone conversations.
- Preparing reports to creditors.
- Maintaining creditor information on IPS case management software.
- Reviewing, and adjudicating on if necessary, proofs of debt received from creditors.
- Reviewing and assessing validity of security documentation.

4. Investigations

- Review of books and records.
- Conduct investigations into transactions.
- Review books and records to identify any transactions or actions an Administrator may take in order to recover funds for the benefit of creditors.

5. Realisation of Assets

- Proceeding with the sale of the assets of the business
- Liaising with New co in relation to collection of Retentions, Applications and Book Debts.

A copy of Statement of Insolvency Practice No. 9 'A Creditors Guide to Administrators' Fees' published by the Association of Business Recovery Professionals is available at the link <http://www.icaew.com/en/technical/insolvency/creditors-guides>. A hard copy can be obtained on request from this office. An explanatory note which shows PCR's fee policy and charge out rates is attached.

#### 10.6 Joint Administrators' Disbursements

With regard to disbursements, specific expenditure relating to the administration of the insolvent estate and payable to an independent third party is recoverable without creditor approval and are known as "Category 1" disbursements. "Category 2" disbursements are costs that are recharged by an office holder's practice that include an element of overhead contribution and/or profit. PCR does not, as a policy, recharge any expenses that might be considered to be category 2 disbursements.

If funds are not available to pay for disbursements, then payment is made by PCR and reimbursed from the estate as and when funds become available. In this instance, this office has paid out the following disbursements and have been reimbursed by the estate:

Type of Expense	Amount Incurred (£)	Amount Paid (£)	Amount Outstanding (£)
Statutory Advertising	146.00	146.00	NIL
Bordereau	470.00	470.00	NIL
<b>TOTAL</b>	<b>616.00</b>	<b>616.00</b>	<b>NIL</b>

Accordial Wall Systems Limited (In Administration)  
Joint Administrators' Progress Report to Creditors

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The following agents and professional advisors have been utilised in this manner:

	Nature of Work	Fee Basis	Total Fee Charged £
GG204 Limited	Debt Collection – Applications	35%	106,777.81
GG204 Limited	Debt Collection – Book Debts	25%	20,913.78
GG204 Limited	Debt Collection – Retentions	50%	20,323.42
<b>Total</b>			<b>148,015.01</b>

#### **11. EC Regulations**

We consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. We also consider that they are main proceedings since the Company's registered office and its trading address are in the United Kingdom.

#### **12. Termination of the Administration**

It is our intention to arrange for the Company to be placed into Creditors' Voluntary Liquidation in order to be able to pay a dividend to unsecured creditors, on the basis that an Administrator is not entitled under legislation to make a distribution to unsecured creditors other than out of the prescribed part. We will report further at the end of the Administration.

#### **13. Further Information**

##### **13.1 Creditors' Rights**

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about PCR can be found at [www.pcrllp.co.uk/pcr/pcr-legal-information](http://www.pcrllp.co.uk/pcr/pcr-legal-information)

##### **13.2 Professional Indemnity Insurer**

Our Professional Indemnity Insurer is Allied World Assurance Company (Europe) plc, c/o Lockton Companies LLP, The St Botolph Building, 138 Houndsditch, London, EC3A 7AG. The territorial coverage is in relation to appointments taken and work conducted in the UK.

### **13.3 Complaints Procedure**


In the event that you are not satisfied with the actions of the Joint Administrators, you have the right to complain. Initially such complaints should be referred to Samuel Talby of this office. We undertake to look at any complaint carefully and promptly and to do all that we can to explain the position to you.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should initially be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA; or you may email [ip.complaints@insolvency.gsi.gov.uk](mailto:ip.complaints@insolvency.gsi.gov.uk); or you may phone 0845 602 9848 - calls are charged at between 1p and 10.5p per minute from a land line, for mobiles, between 12p and 41p per minute if you're calling from the UK.

### **14. Summary**

As detailed in this report, we intend to place the Company into Creditors' Voluntary Liquidation in the near future in order to deal with the claims of creditors. A further update regarding the progress of this case will be provided in our final report when the Company is placed into Liquidation.

Should you have any queries or require any further information, please do not hesitate to contact my colleague Hannah Gardner on 0208 841 5252.



**Julie Swan**  
**Joint Administrator**

Mark Phillips and Julie Swan were appointed Joint Administrators on 1 December 2016. The Affairs, business and property of the Company are being managed by Joint administrators, who act as the Company's agents and without personal liability.

**APPENDIX I**

**RECEIPTS AND PAYMENTS ACCOUNTS  
FOR THE PERIOD 1 DECEMBER 2016 TO 31 MAY 2017**

**Accordial Wall Systems Limited**  
**(In Administration)**

**Joint Administrators' Summary of Receipts and Payments**  
**To 31 May 2017**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>Total (£)</b>
Goodwill		5,000.00
Plant, Machinery and Office Equipment		5,000.00
Prepayments		0.50
Future Applications / Works in Progress		15,000.00
Book Debts		71,382.81
Retentions		33,527.43
Applications		275,331.24
Third Party Funds Received		211,742.85
Licence Fee & Service Charge		3,333.33
Bank Interest Gross		62.88
Miscellaneous Income		89.95
Funds to be Allocated		1,030.45
		<hr/>
		621,501.44
		<hr/>
<b>PAYMENTS</b>		
Rents		3,999.99
Agents/Valuers Fees		300.00
Rates Refund		38.12
Specific Bond		940.00
Administrators' Pre-Appointment Fees		9,950.75
Administrators' Fees - Fixed		20,000.00
Administrators' Fees - Time Costs		9,339.50
Administrators' Fees - % of Realisations		22,801.24
Agents/Valuers Fees (1)		3,000.00
Agents/Valuers Fees (2)		171.76
Legal Fees		6,750.00
Legal Disbursements		50.00
Third Party Funds Reimbursed		211,742.85
Statutory Advertising		146.00
Bank Charges		90.70
Collection Fee		134,816.66
Floating Charge Creditor	(67,998.54)	67,998.54
		<hr/>
		492,136.11
		<hr/>
Net Receipts/(Payments)		129,365.33
		<hr/>

**MADE UP AS FOLLOWS**

Bank 1 - Current	149,192.84
VAT Receivable / (Payable)	(19,827.51)
	<hr/>
	129,365.33
	<hr/>

**APPENDIX II**

**SCHEDULE OF JOINT ADMINISTRATORS TIME COSTS**

**&**

**SCHEDULE OF HOURLY RATES**

# Time Entry - SIP9 Time & Cost Summary

ACCOR01 - Accordial Wall Systems Limited  
All Post Appointment Project Codes  
From: 01/12/2016 To: 31/05/2017

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning	3.20	4.20	62.50	0.20	70.10	14,796.00	211.07
Case specific matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashier/Tax Returns	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	3.00	3.20	19.70	0.00	25.90	5,919.00	228.53
Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Information & Communications Technology	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	5.50	4.70	9.20	6.50	25.90	6,670.50	257.55
Litigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pension Schemes	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Oct 1998 Time	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisations of assets	2.80	2.20	40.50	0.00	45.50	9,870.00	216.92
Statutory Duties	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>14.50</b>	<b>14.30</b>	<b>131.90</b>	<b>6.70</b>	<b>167.40</b>	<b>37,255.50</b>	<b>222.55</b>
<b>Total Fees Claimed</b>						<b>52,140.74</b>	
<b>Total Disbursements Claimed</b>						<b>1,086.00</b>	





## **REMUNERATION POLICY**

### **Charge Out Rates Applicable to this Assignment**

The table below sets out charge out rates by grade of staff. Charge out rates are reviewed periodically and where an assignment covers more than one period the rates for each period relevant to that assignment are provided below.

	<b><i>01.01.2013 Onwards</i></b>	<b><i>01.04.2015 Onwards</i></b>	<b><i>01.05.2016 Onwards</i></b>
<b>Grade of Staff</b>	<b>£ Per Hour</b>	<b>£ Per Hour</b>	<b>£ Per Hour</b>
Partners / Office Holders	400 – 425	425-450	425 – 475
Director	325	350	400
Manager	275	275 – 350	275 – 400
Administrator	125 – 200	150 – 200	150 – 275
Cashier & Support	100 – 125	100 – 150	100 – 150
<b>Average</b>	<b>258</b>	<b>278</b>	<b>305</b>

Time is charged in 6 minute units and recorded using an electronic time recording system.

Work is undertaken by the grade of staff most appropriate to the assignment or the task being dealt with.

Office Holder's fees may generally only be recovered with creditor approval. Creditors Guides to the calculation of Office Holder's fees, as provided by Statement of Insolvency Practice 9 (SIP9) published by R3, The Association of Business Recovery Professionals, are available at the link <http://www.icaew.com/en/technical/insolvency/creditors-guides> and paper copies are available on request.

### **DISBURSEMENTS POLICY**

#### **Category 1 Disbursements**

Items of specific expenditure relating to the administration of the insolvent estate and payable to an independent third party (i.e. direct costs) are defined as "Category 1 disbursements". These are recoverable without creditor approval. Such items would include legal fees, agents' charges, bank charges and insurances. Such expenditure is made directly from the insolvent estate where funds are available. If funds are not available, then payment is made from this firm's office account and reimbursed from the estate when funds are available. All Category 1 disbursements are charged at the actual cost incurred, with no mark up or handling charge applied.

#### **Category 2 Disbursements**

Expenditure incidental to the administration of the insolvent estate which by its nature includes an element of shared or allocated costs is recoverable only with creditor approval. Payments in respect of these costs are defined as Category 2 disbursements. This office has a policy of not charging for any Category 2 disbursements and no other charges are made for any items bearing an element of shared or allocated cost.

**APPENDIX III**

**SCHEDULE OF UNSECURED CREDITORS CLAIMS**

**PCR (London) LLP**  
**Accordial Wall Systems Limited**  
**Creditor Claims Summary Report**

Key	Name	Rep. By	S of A £	Claim £	Agreed Claim £
CA00	ACCORDIAL PENSION FUND		28,184.18	0.00	0.00
CA01	ADAM GIBBONS		0.00	0.00	0.00
CA02	ADT FIRE & SECURITY PLC		511.75	0.00	0.00
CA03	AFI-UPLIFT LTD		470.77	0.00	0.00
CA04	ANGEL SPRINGS		58.42	0.00	0.00
CA05	ARCO LIMITED		483.02	0.00	0.00
CA06	ASSOCIATION OF INTERIOR SPECIALISTS		210.00	0.00	0.00
CA07	ACCOUSTIC MOVABLE WALL SOLUTIONS		28,000.00	0.00	0.00
CB00	B J KING		7,794.00	16,882.80	0.00
CB01	BAMBOO SURFACES		4,237.20	0.00	0.00
CB02	BARBOUR ABI		1,056.00	0.00	0.00
CB03	BARBOUR INDEX PLC		2,352.00	0.00	0.00
CB04	BAYANIX		4,580.92	0.00	0.00
CB05	BBE LOCKS		200.00	0.00	0.00
CB06	BERKSHIRE OFFICE FURNITURE		205.20	0.00	0.00
CB07	BIZSPACE LTD		270.00	0.00	0.00
CB08	BOB PURSER		3,200.00	0.00	0.00
CB09	BOK SERVICES		691.20	0.00	0.00
CB0A	BRIDGEPLEX		6,653.40	0.00	0.00
CB0B	BROOKSTREET (UK) LTD		1,317.28	0.00	0.00
CB0C	BUILDING ADDITIONS LTD		3,126.00	0.00	0.00
CB0D	Basco Accounts Services Limited		0.00	3,000.00	0.00
CC00	CAMIRA FABRICS		1,131.26	0.00	0.00
CC01	CASTLE		160.06	0.00	0.00
CC02	CHUBB FIRE LTD		131.46	131.46	0.00
CC03	CITY ELECTRICAL FACTORS LTD		113.34	0.00	0.00
CC04	CLAR SERVICES LTD		840.00	0.00	0.00
CC05	CLEANLINE INSTALLATIONS LTD		1,924.91	0.00	0.00
CC06	CONSTRUCTION IND.TRAINING BOARD		5,640.00	5,640.00	0.00
CC07	CONSTRUCTION LINE		780.00	0.00	0.00
CC08	CONTRACT SERVICES		889.20	0.00	0.00
CC09	CORD CONTRACTS LTD		5,247.60	0.00	0.00
CC0A	C Tech Resolution		467.40	467.40	0.00
CD00	D A WELSH MOVABLE WALLS		364.00	0.00	0.00
CD01	D GUNNER		6,102.00	0.00	0.00
CD02	D KINGSLEY		216.00	0.00	0.00
CE00	EKS LTD		5,468.18	0.00	0.00
CE01	ELLIOTTS RENOVATION SERVICES LTD		5,311.22	0.00	0.00
CE02	EON		30.94	0.00	0.00
CE03	EXPERIAN LTD		150.00	0.00	0.00
CF00	FAIRWAY TYRE SERVICE RICKMANSWORTH		54.85	0.00	0.00
CF01	FALCON GROUP PLC		907.73	0.00	0.00
CG00	GRIPPLE LTD		11,130.84	0.00	0.00
CH00	HAMILTON & CROFT LTD		2,460.00	0.00	0.00
CH01	HAMPSHIRE COUNTY COUNCIL		58.80	0.00	0.00
CH02	HILLIER HOPKINS LLP		864.00	0.00	0.00
CH03	HSS - HIRE SERVICES GROUP PLC		256.90	0.00	0.00
CI00	INTERSOL NW LTD		0.00	0.00	0.00
CI01	ITS (EXETER) LTD		7,025.69	0.00	0.00
CJ00	J&R STEEL FABRICATION LTD		3,612.00	0.00	0.00
CJ01	J. D COLEMAN & CO		22,585.00	32,924.00	0.00

**PCR (London) LLP**  
**Accordial Wall Systems Limited**  
**Creditor Claims Summary Report**

Key	Name	Rep. By	S of A £	Claim £	Agreed Claim £
CJ02	JOHN JONES		255.25	0.00	0.00
CK00	KOEL HOLDINGS LTD		12,319.86	0.00	0.00
CL00	LEE COMER		492.00	0.00	0.00
CL01	LEX AUTOLEASE LTD		44.94	0.00	0.00
CL02	LLOYDS TSB COMMERCIAL FINANCE LTD		2,902.60	0.00	0.00
CM00	M.G INSTALLATIONS (UK) LTD		463.80	0.00	0.00
CM01	MAGIC MAN LTD		1,962.00	3,162.00	0.00
CM02	MANCHESTER FITTING SOLUTIONS LTD		585.00	0.00	0.00
CM03	MARK GOODMAN		340.00	0.00	0.00
CM04	MICHAEL INTERIORS LTD		2,571.20	0.00	0.00
CM05	Midland Moveable Walls Ltd		22,580.38	58,000.00	0.00
CM06	MISCO		694.67	0.00	0.00
CM07	MSA CONSTRUCTION SOFTWARE		5,760.00	0.00	0.00
CM08	NURSING MANUFACTURING (UK) LTD		461,918.08	0.00	0.00
CN00	NUSING GMBH		867.20	0.00	0.00
CO00	OAKDEN FABRICATION AND WELDING		7,757.42	0.00	0.00
CO01	OGL COMPUTER SUPPORT LTD		0.00	0.00	0.00
CO02	OLDHAM METROPOLITAN BOROUGH COUN		2,421.91	0.00	0.00
CP00	PAUL JONES		180.00	0.00	0.00
CP01	PHS GROUP PLC		68.92	0.00	0.00
CP02	PITNEY BOWES LIMITED		487.12	0.00	0.00
CR00	RAC AUTO WINDSCREENS LIMITED		526.93	0.00	0.00
CR01	REDWOOD FACILITES LTD		240.64	0.00	0.00
CS00	S B PRIEST		386.40	0.00	0.00
CS01	SARRATT OFFICE SUPPLIES		739.16	0.00	0.00
CS02	SIMON JAMES		22,585.00	0.00	0.00
CS03	SOAP INSTALLATIONS		4,100.00	0.00	0.00
CS04	SOUND CONTROL SERVICES		44,533.01	0.00	0.00
CS05	SOUNDHUSH		6,616.64	6,616.64	0.00
CS06	SPECIALIST CEILING SERVICES LIMITED		332.02	0.00	0.00
CS07	SPECIFICATION PRODUCT UPDATE		370.51	0.00	0.00
CS08	SPEEDY ASSET SERVICES LTD		19,358.14	29,581.68	0.00
CS09	SPEEDY FREIGHT LTD		678.00	678.00	0.00
CS0A	ST JOHN AMBULANCE		1,008.00	0.00	0.00
CS0B	STEVE THOMPSON		3,188.00	0.00	0.00
CS0C	STEVEN BUTTERWORTH INSTALLATIO		695.00	0.00	0.00
CS0D	SUPPLY U.K. HIRE SHOPS LTD		105.02	0.00	0.00
CS0E	SUSAN JOHNSON		260.00	260.00	0.00
CS0F	St Johns Ambulance		1,233.00	0.00	0.00
CT00	TELEPONICA 02 UK LIMITED		2,202.52	0.00	0.00
CT01	THREE RIVERS DISTRICT COUNCIL		6,610.29	0.00	0.00
CT02	TOTAL MOTION VEHICLE MANAGEMENT		0.00	0.00	0.00
CT03	TRAVIS PERKINS		1,878.84	0.00	0.00
CU00	UKL Group		5,124.00	0.00	0.00
CU01	UNIEX FREIGHT SERVICES		420.00	268.10	0.00
CU02	UNION VENEERS		660.00	0.00	0.00
CU03	UNITED UTILITIES WATER PLC		319.56	0.00	0.00
CU04	U-SPEC LTD - HSBC INVOICE FINANCE		3,115.59	0.00	0.00
CV00	VEOLIA WATER THREE VALLEYS		183.76	0.00	0.00
CV01	VIKING DIRECT		226.76	0.00	0.00
CW00	WALL IN ONE LTD		0.00	0.00	0.00

**PCR (London) LLP**  
**Accordial Wall Systems Limited**  
**Creditor Claims Summary Report**

Key	Name	Rep. By	S of A £	Claim £	Agreed Claim £
CW01	WATFORD MC LTD		1,540.00	0.00	0.00
<b>103 Entries Totalling</b>			<b>831,433.86</b>	<b>157,612.08</b>	<b>0.00</b>