

# AM10

## Notice of administrator's progress report



Companies House

TUESDAY



\*A75Z3YW2\*

A23

15/05/2018

#173

COMPANIES HOUSE

### 1 Company details

Company number 0 2 7 6 9 7 0 5

Company name in full MEP Solutions Limited

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

### 2 Administrator's name

Full forename(s) Clare

Surname Boardman

### 3 Administrator's address

Building name/number 1 City Square

Street Leeds

Post town West Yorkshire

County/Region

Postcode L S 1 2 A L

Country

### 4 Administrator's name ①

Full forename(s) Adrian Peter

Surname Berry

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

### 5 Administrator's address ②

Building name/number 1 City Square

Street Leeds

Post town West Yorkshire

County/Region

Postcode L S 1 2 A L

Country

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

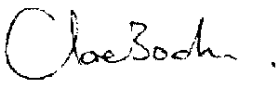
## AM10

## Notice of administrator's progress report

**6** Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 8	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7	
To date	<sup>d</sup> 1	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8	

**7** Progress report☐ I attach a copy of the progress report**8** Sign and date

Administrator's signature	Signature X  X								
Signature date	<sup>d</sup> 1	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8	

**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 **Hena Virdee**

Company name

Address **Four Brindleyplace**  
**Birmingham**

Post town

County/Region

Postcode **B 1 2 H Z**

Country

DX

Telephone **+44 121 695 5644**

**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)**

# Deloitte.

## **MEP Solutions Limited ("MEP") and MEP BIM Solutions Limited ("BIM") (in administration) (together "the Companies")**

Progress report to creditors for the period 18 October 2017 to 17 April 2018 pursuant to Rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 ("the Rules").

Clare Boardman and Adrian Peter Berry ("the Joint Administrators") were appointed Joint Administrators of MEP Solutions Limited and MEP BIM Solutions Limited on 18 October 2017. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.






Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

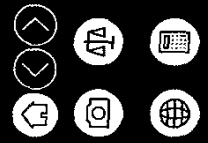
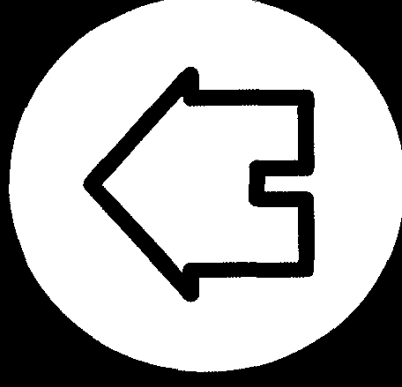
14 May 2018

**MEP**  
Court Case No. 2957 of 2016  
High Court of Justice Chancery  
Division Manchester Registry  
Company Number: 02769705

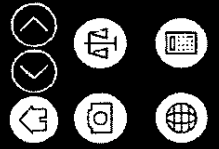
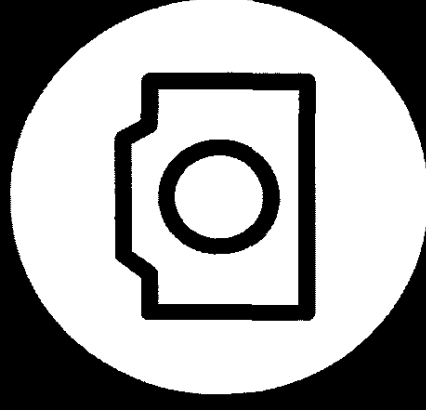
**BIM**  
Court Case No. 2956 of 2016  
High Court of Justice Chancery  
Division Manchester Registry  
Company Number: 00893305

Registered Office:  
c/o Deloitte LLP  
Four Brindleyplace  
Birmingham  
B1 2HZ

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## Key messages



## Key messages

### Joint Administrators of the Companies

Clare Boardman

Adrian Peter Berry

c/o Deloitte LLP

1 City Square

Leeds

LS1 2AL

### Contact details

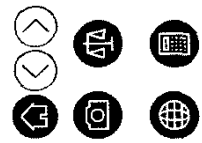
Email: [hvirdee@deloitte.co.uk](mailto:hvirdee@deloitte.co.uk)

Website:

[www.deloitte.com/uk/mepsolution](http://www.deloitte.com/uk/mepsolution)

[sandmepbimsolutions](http://sandmepbimsolutions)

Tel: 0121 695 5644



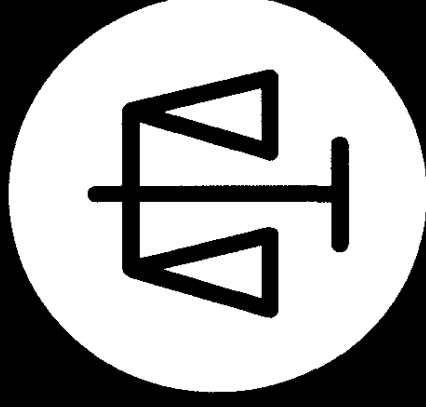
	Commentary
<b>Purpose of administration</b>	<ul style="list-style-type: none"><li>The purpose of the administrations is to achieve a better result for the Companies' creditors as a whole rather than a liquidation.</li></ul>
<b>Progress of administration</b>	<ul style="list-style-type: none"><li>As previously reported, the amount of c£371k that was owed to MEP by A-Belco Limited ("A-Belco") and Opsol 2016 Realisation Limited ("Opsol") has now been reimbursed through the marshalling process. Further details in relation to this are on Page 5.</li><li>We have reconciled the Mercury position and further details in relation to this are detailed on Page 5.</li><li>MEP has distributed £120k to the secured creditors.</li><li>Preferential claims have been paid in full.</li><li>Unsecured creditor claims are being agreed in preparation for the Prescribed Part ("PP") distribution.</li></ul>
<b>Costs</b>	<ul style="list-style-type: none"><li>Our fees have been fixed by the secured creditors as a set fee of £200k plus VAT in MEP and £50k plus VAT in BIM.</li><li>We have not drawn any fees within the reporting period in MEP or BIM.</li><li>No disbursements and no expenses have been incurred in MEP or BIM during the report period. Please refer to Page 14 for further details.</li><li>Costs of £2k have been incurred within the period.</li><li>A distribution of £151k for marshalling has been made in the report period. Please refer to Page 5 for further details.</li></ul>
<b>Outstanding matters</b>	<ul style="list-style-type: none"><li>Finalise the tax positions of the MEP and BIM.</li><li>Make a distribution to the unsecured creditors of MEP under the PP.</li><li>Closure of the case.</li></ul>
<b>Dividend prospects</b>	<ul style="list-style-type: none"><li>Secured creditors – Close Invoice Finance Limited ("CIFL") was repaid in full within the last period. Lloyds Bank PLC ("Lloyds") claim of £978k will be repaid in full from realisations across MEP, Opsol and A-Belco.</li><li>Preferential creditors – a distribution of 100p in the £ was made to the preferential creditors of MEP in the last report period. BIM has insufficient funds to enable a distribution.</li><li>Unsecured creditors – we expect to pay a Prescribed Part dividend in MEP, there are no funds to pay a dividend in BIM.</li></ul>
<b>Extension to administration period</b>	<p>The administrations were extended by the secured creditors on 25 September 2017 and will end on or before 17 October 2018.</p>



## Progress of the administration

Summary 5

Receipts and payments 7





# Progress of the administration Summary

## Progress of the administrations

### Work done since our last report

#### Book debts

As previously reported, all book debt collections within MEP and BIM are now complete however, we have continued to collect book debts in A-Belco and Opsol within the period.

As per previous updates, CIFL's secured claim on appointment was generated by A-Belco, Opsol and MEP. Book debt collections in A-Belco were sufficient to fully repay CIFL's claim in A-Belco, CIFL did not have any debt owed by MEP on appointment and book debt collections in Opsol were insufficient to fully repay the amount owed by Opsol to CIFL, with a shortfall of £302,526.

A-Belco and MEP were each required to meet 50% of the shortfall in Opsol, being £151,263 under CIFL's guarantee. This is termed "marshalling" in the Receipts and Payments account.

As above, at the date of Administration, MEP had a cash surplus of c£371k. This cash surplus was caught by CIFL's security and was allocated by CIFL to reduce amounts owed to CIFL by A-Belco and Opsol. Given the marshalling process above, this allocation of the cash surplus by CIFL was not required. Therefore, the amount of £371k was refunded to MEP from A-Belco and Opsol during the period.

#### Trading

We have reconciled the funding agreement with Mercury.

#### Other asset realisations

The miscellaneous chattel and plant assets of MEP that were sold in the previous period at auction for c£6k (net of auction costs) are now detailed in our receipts and payments account shown on Page 8.

## Creditors

We are now in a position to pay a dividend to the unsecured creditors from the Prescribed Part ("PP"). We have been agreeing claims as we have received them in preparation for the PP distribution. Our estimate of the dividend remains between 2p/£ - 3p/£.

A notice of intended dividend will be made available to the unsecured creditors of the Company.

The preferential creditors of MEP were paid in full within the last reporting period.

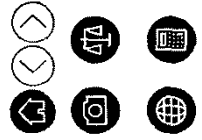
We do not anticipate paying a preferential or unsecured dividend in BIM.

#### Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Correspondence
- Case reviews
- Cashiering functions

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.



# Progress of the administration Summary

## Progress of the administration (continued) Cost of the work done during the report period – MEP

The cost and expenses incurred during the report period and detailed opposite.

### Trading account

Skip hire of £385 has been paid during the period in relation to the trading period of the administration. No further costs for trading have been paid during this period.

### Other

A further contribution of £774 was paid to BIM to cover costs incurred in BIM, as set out on Page 9.

Agent's Fees of £1.1k plus VAT has been paid within the period to CW Harrison & Son in relation to their work with auctioning chattel assets during the trading period of the administration.

A final legal fee payment of £250 has been paid, in relation to final book debt collection matters.

A total amount of £151k has been paid to A-Belco during the period in relation to the marshalling of the book debts within the Group. Further information in relation to this is detailed on Page 5.

## MEP costs paid 18 October 2016 to 17 April 2018

	Period	To date
<b>Trading account</b>		
Skip Hire	385	385
<b>Total</b>	<b>385</b>	<b>385</b>
<b>Other</b>		
Storage costs	166	319
Contribution to BIM	774	22,174
Agent's Fees	1,152	9,517
Legal Fees	250	25,742
Marshalling	151,263	151,263
<b>Total</b>	<b>153,605</b>	<b>209,015</b>
<b>Total</b>	<b>153,990</b>	<b>209,400</b>



## Progress of the administration

### MEP Receipts and payments

A receipts and payments account together with a separate trading account is provided opposite, detailing the transactions in the administration to 17 April 2018, and all transactions since the date of our appointment.

### Joint Administrators' receipts and payments account 18 October 2016 to 17 April 2018

	£	SoA values	Notes	Period	To date
<b>Receipts</b>					
Trading surplus			A	(385)	66,299
Book Debts	225,799			-	295,703
Plant & Machinery	258,248			6,023	6,023
WIP & Finished Goods	-			-	27,825
Cash at Bank	11,230		B	371,324	371,324
Bank Interest Gross	-		C	-	353
Chattel Assets	-			-	19,667
<b>Total receipts</b>	<b>495,277</b>			<b>376,962</b>	<b>787,193</b>
<b>Payments</b>					
Employee Expenses (Ransom)				-	276
Payroll Bureau Fees				-	596
Storage Costs				166	319
Postage & Redirection				-	260
Statutory Advertising				-	85
Insurance of Assets				-	6,598
Bank Charges				74	158
Contribution to BIM				774	22,174
Administrators' Fees				-	135,000
Administrators' Expenses				-	6,623
Pre-appointment Administrators' Expenses				-	2,274
Agents' Fees				1,152	9,517
Legal Fees				250	25,742
Marshalling			B	151,263	151,263
Preferential Creditors				-	27,492
Distribution to Lloyds				120,000	120,000
<b>Total payments</b>	<b>273,679</b>			<b>508,377</b>	
<b>Balance</b>					<b>278,816</b>
<b>Made up of:</b>					
Bank account			C		274,893
Vat Control Account			D		3,924
<b>Balance in hand</b>					<b>278,816</b>

### Notes to the MEP receipts and payments account

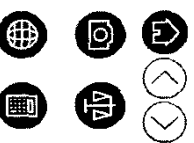
The cost and expenses incurred during the reporting period are detailed opposite.

A - The trading surplus largely reflects finalising from Mercury, before professional costs associated with trading. The negative £385 is in relation to skip hire that was paid but then cancelled as the amount was not owed. Please see Page 9 for further details on movements within the period.

B - Within the previous period the Receipts and Payments reflected the unmarshalled position regarding book debts however, the Receipts and Payments account now reflects the marshalling of book debt collections to CIFL of £151k and reimbursement of the cash surplus to MEP of £372k.

C - All funds have been banked in an interest bearing bank account.

D - All sums are shown net of VAT which is recoverable/payable and will be accounted for to HM Revenue & Customs in due course.



## Progress of the administration

### MEP trading account

Joint Administrators' trading account 18 October 2016 to 17 April 2018		
£	Period	To date
<b>Receipts</b>		
Sales	-	177,640
<b>Total receipts</b>	-	<b>177,640</b>
<b>Payments</b>		
Purchases	-	540
Salaries (M)	-	62,804
Debt Collection Fees	-	16,461
Rates	-	1,994
Hire of Equipment	-	1,642
Fork Lift Hire	-	260
Security Costs	-	3,264
Skip Hire	A	2,133
Rent	-	7,870
Contractor Costs	-	9,900
Central/Shared Costs	-	4,473
<b>Total payments</b>	<b>385</b>	<b>111,340</b>
<b>Trading surplus/(deficit)</b>	<b>(385)</b>	<b>66,299</b>

### Notes to the MEP trading account

A trading account is provided opposite, to date a trading surplus has been made.

A payment of £385 was processed for Skip Hire in relation to the trading period of the Administration, but the payment was then cancelled as the it was no longer owed.

The trading account has now been reconciled with Mercury.

The surplus shown excludes the Administrator fees and expenses in undertaking trading activity. Such costs are included in the Receipts and Payments on the previous page.



## Progress of the administration

### BIM Receipts and payments and trading account

A receipts and payments account together with a separate trading account is provided opposite, detailing the transactions in the administration to 17 April 2018, and all transactions since the date of our appointment.

### Joint Administrators' receipts and payments account 18 October 2016 to 17 April 2018

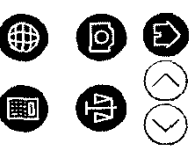
E	SoA values	Notes	Period	To date
<b>Receipts</b>				
Trading surplus/(deficit)			-	1,460
Contribution from MEP			-	21,400
Bank Interest Gross		B	-	2
Fixed assets	8,900		-	-
	8,900		-	22,863
<b>Payments</b>				
Rent			-	1,431
Central/Shared Costs			-	4,473
Administrators' Fees			-	15,000
Administrators' Expenses			-	1,304
Payroll Bureau Fees			-	557
Statutory Advertising			-	85
Bank Charges			-	13
Postage & Redirection		C	(260)	-
<b>Total payments</b>			(260)	22,863
<b>Balance</b>				-
<b>Made up of:</b>				
NIB Current A/c		B	-	-
VAT Receivable			-	-
<b>Balance in hand</b>			-	-

### Notes to the BIM receipts and payments account

- A – Through intercompany transfers, a small part of the contribution made from MEP has been reimbursed within the period.
- B – All funds have been banked in an interest bearing bank account
- C – We have made an adjustment for postage and redirection which was paid within the last period however, the payment was not required therefore a cancellation was processed during this period, hence the deduction of £260.

### Joint Administrators' trading account 18 October 2016 to 17 April 2018

E	To date
<b>Receipts</b>	
Receipts to trade from MEP	17,235
<b>Total receipts</b>	17,235
<b>Payments</b>	
Salaries (M)	15,137
Rates	638
<b>Total payments</b>	15,775
<b>Trading surplus/(deficit)</b>	1,460

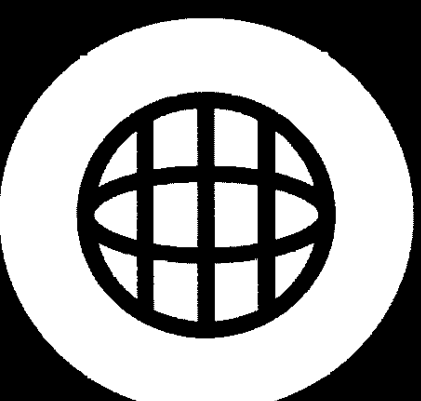




## Information for creditors

Outcome

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## Information for creditors

### Outcome

#### Secured creditors

As previously confirmed, Lloyds and CIFL are the secured creditors of the Group.

CIFL has been paid in full from Group realisations. We also expect that Lloyds' debt will also be paid in full. A payment of £100k is in the process of being paid to Lloyds by MEP

#### Preferential creditors

As previously reported, a distribution of 100p/£ totalling £27.4k was made to the preferential creditors of MEP.

We do not expect to pay any dividend to preferential creditors of BIM.

#### Prescribed Part and unsecured creditors

As detailed in the Proposals, it is likely that there will be a small distribution to unsecured creditors of MEP.

A notification has been sent to all creditors in relation to their claims with details of the time and amount of the distribution. We estimate the dividend to MEP unsecured creditors to be 2p/£ to 3p/£.

#### Claims process – creditors with debts of £1,000 or less

You do not need to prove your debt for dividend purposes if the amount you are owed is £1,000 or less.

Your claim will be admitted in the amount shown in the Companies records/statement of affairs. If you disagree with that amount you will be provided with an opportunity to notify us of the correct amount.

#### Claims process – creditors with debts of more than £1,000

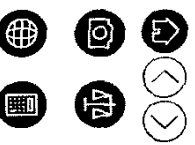
Unsecured creditors with claims of more than £1,000 are invited to submit their claims to us by completing a proof of debt form which is available on the administration website and which should be sent to the address on page 1, marked for the attention of Hena Virdee at [hvirdee@deloitte.co.uk](mailto:hvirdee@deloitte.co.uk)

#### Extensions to the administration

The Administrations were extended by the secured creditors and will now end on or before 17 October 2018. We do not anticipate that this will be necessary to further extend the period of the Administrations.

#### Exit

As detailed in our proposals, we consider that dissolution will be the most appropriate exit route from the Administrations as there would be no further property or assets that may permit a distribution to the MEP or BIM's creditors. We expect to file notices to that effect with the Registrar of Companies and MEP and BIM will be dissolved three months later once all closure matters have been concluded.

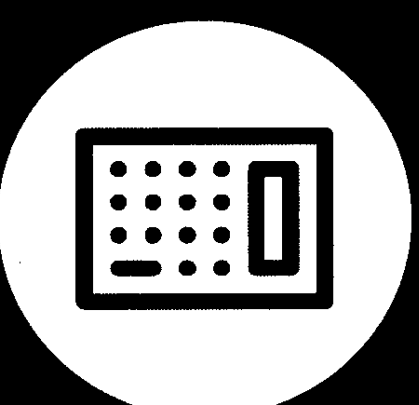




## Remuneration and expenses

Joint Administrators' remuneration

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## **Remuneration and expenses**

### **Joint Administrators' remuneration**

#### **Administrators' remuneration**

"A Creditors' Guide to Remuneration" is available for download at

[www.deloitte.co.uk/mepsolutionsandmepbimmsolutions](http://www.deloitte.co.uk/mepsolutionsandmepbimmsolutions)

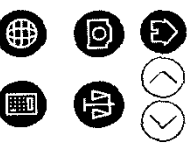
Should you require a paper copy, please send your request in writing to us at the address on Page 1 of this report and this will be provided to you at no cost.

#### **Basis of remuneration**

The basis of our remuneration was fixed on 23 March 2017 by the Secured Creditors as a set amount of £200k for MEP and £50k for BIM plus VAT thereon.

#### **Set amount**

We have not drawn any remuneration within the period. Since the date of administration we have drawn £135k in MEP and £15k in BIM.



## Remuneration and expenses

### Detailed information

#### Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

#### Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their *mileage costs*. These may also include shared or allocated costs.

### Disbursements

#### Category 2 Disbursements

Specific approval is required before these costs and expenses can be drawn from the administration estate and was given by the secured creditors on 23 March 2017.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Details of all disbursements are given below and from which it can be seen that we have not yet recovered our disbursements in full.

MEP disbursements				
£ (net)	Current Period	Previous Period	Total Incurred	Paid Unpaid
<b>Category 1</b>				
Accommodation	-	-	2,451	2,451 -
Subsistence	-	-	705	705 -
Telephone	-	-	72	72 -
Bordereau	-	-	230	230 -
Stationary	-	-	388	263 125
Postage/Couriers	-	258	1,170	254 916
Travel	-	-	441	441 -
<b>Total expenses</b>	-	258	5,457	4,416 1,041
<b>Category 2</b>				
Mileage	-	-	1,956	1,956 -
Website	-	-	250	250 -
<b>Total disbursements</b>	-	-	2,206	2,206 -
<b>Total</b>	-	258	7,663	6,622 1,041
<b>BIM disbursements</b>				
£ (net)	Current Period	Previous Period	Total Incurred	Paid Unpaid
<b>Category 1</b>				
Bordereau	-	-	230	-
Stationary Advertising	-	-	85	-
Stationary	-	106	106	-
Postage/Couriers	-	373	633	-
<b>Total expenses</b>	-	479	1,054	-
<b>Category 2</b>				
Website	-	-	250	250 -
<b>Total disbursements</b>	-	-	250	250 -
<b>Total</b>	-	479	1,304	250 -

### Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

### Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.



# Deloitte.

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