

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company Piling Solutions Limited

Company number 03606879

In the Bury St Edmunds Court <small>(full name of court)</small>
--

Court case number 3 AO of 2008

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

I (a)
Steven Law
Ensors
Cardinal House
46 St Nicholas Street
Ipswich
IP1 1TT

administrator(s) of the above company attach a progress report for the period

(b) Insert date

From (b) 20 June 2008

To (b) 19 December 2008

Signed


Joint Administrator(s)

Dated

16/1/09

Contact Details:

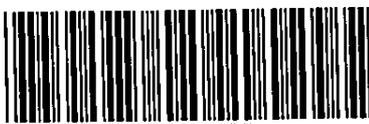
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form.

The contact information that you give will be visible to searchers of the public record

Steven Law Ensors Cardinal House 46 St Nicholas Street Ipswich IP1 1TT	01473 220022 DX Exchange
DX Number	

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

TUESDAY



A23 *ADC4U6VY* 288
27/01/2009

COMPANIES HOUSE

PRIVATE AND CONFIDENTIAL

NOT FOR PUBLICATION

TO ALL KNOWN CREDITORS

16 January 2009

Dear Sirs

Piling Solutions Limited – in Administration (the company)

In the Bury St Edmunds Court – 3AO of 2008

Former Trading addresses:

**St Michaels House, The Anderson Centre, Olding Road, Bury St Edmunds, IP33 3TA and
Solutions House, Centurion Way, Crusader Park, Warminster, BA12 8BT**

1 Introduction

- 1.1 I was appointed Administrator of the above named company on 20 June 2008, by the director of the company.
- 1.2 In accordance with Rule 2.47 of the Insolvency Rules 1986, I report on the progress of the Administration during the first six months to 19 December 2008. I also attach a Notice of move from Administration to Creditor's Voluntary Liquidation (CVL).
- 1.3 My proposals were sent to creditors on 24 July 2008. These disclosed the following:
 - "The main activity of the company is that of piling consultancy, design, and contracting.
 - The company was incorporated in 1998 by two founding directors, Mr C Hobbs and Mr M Symes. The plant and trading operations were based in Warminster and the head office function in Suffolk.
 - On my appointment I instructed two agents. George Hazell & Co (Hazell), Chartered Surveyors and Valuers, to carry out a valuation of the company's assets, and Mr Barry Agnew, of Tower Associates Limited (Tower), Consultant Quantity Surveyors, to review the contracts in progress and the prospects for recovery of the contract debts.
 - The plant & equipment comprised of a well equipped repair and maintenance workshop, and various piling rigs, augers and associated equipment, located principally at Warminster. In addition there were a number of motor vehicles and office equipment. There was considerable interest in these assets, and on the advice of my agent, we received four material offers for the plant & equipment, as a whole and to be removed immediately from the Warminster location. I am pleased to report that my agent is holding funds from the successful purchaser, representing a realisation well in excess of a forced sale value (to be sold by way of auction or tender sale). The motor vehicles are being removed to Hazell's location at Thetford, Norfolk to be sold by auction at a later date.

- Tower immediately attended the company's premises and reviewed the status of contracts in progress and the options available. Based on this initial review, the decision was unfortunately taken, on economic grounds, to make 22 of the existing 54 staff redundant on 23 June. With the agreement of the company's clients three contracts were able to be continued and completed within three weeks of my appointment. Further redundancies were made on 30 June 2008 (11 staff), and the completion of all ongoing contracts has resulted in the redundancy of all the remaining operatives. I am pleased to report that I was able to obtain funds from Spie Fondations SA (Spie), to pay all arrears of salary for June.
- Tower reported that wherever commercially viable, contracts should be traded to completion. Tower contacted four clients where contracts were in progress. One contract had to be abandoned because agreement could not be reached with the client. After negotiating with the three remaining clients, Tower was able to conclude a basis of completing the three contracts, which will better the result for creditors. Tower has reported that the anticipated realisation from the three contracts in progress and from the many contract debts will exceed the director's value on book debts. There are many contractual issues still to resolve and Tower report that the overall timescale for finalising contractual accounts can be expected to be extremely protracted. I shall be able to report in more detail in my next report to creditors.
- I am pleased to report that the strategy taken on the realisation of assets following my appointment, will provide a much better outcome than would have been the case had the business ceased immediately and the company entering immediate Liquidation.
- I considered that the most appropriate exit route from the Administration would be a Creditors' Voluntary Liquidation (CVL)."

1.4 Creditors approved my proposals for the company. I attach the approved proposals at Appendix A.

2 Receipts and payments accounts

2.1 I attach, at Appendix B, details of my receipts and payments for the six month period ended 19 December 2008, which shows a balance in hand of some £173k, and comment on the major items below:

- The realisations of £165k for plant, machinery, office equipment and motor vehicles relates to the sale of assets, as reported previously under paragraph 1. All assets have now been sold through Hazell.
- Tower have realised some £245k from book and contract debts.
- Payments include costs of trading, including payroll, material and plant hire costs. The Agents' fees and disbursements relate to the realisation of assets/property costs (£22k) and contract/book debts (£18k)

3 Progress towards objectives

3.1 All remaining staff, site & office, were made redundant at the beginning of August 2008.

- 3.2 Tower is continuing to collect the remaining book debts, and agree final accounts with many debtors. Tower have reported that most of the further realisations will be received over the course of the next few months, although there a number of final accounts that cannot be settled as the defects liability period do not expire until 2010.
- 3.3 I believe that it is now appropriate to place the company into a CVL and for the Liquidator to collect remaining amounts due to the company.
- 3.4 All preferential claims, estimated at £24k will be paid in full. It is anticipated that there will be a small dividend available to the unsecured creditors, although I am unable to estimate the timing and amount of such a dividend at present. The director in his Statement of Affairs estimated unsecured creditors in excess of £2.5m.
- 3.5 Any unpaid costs of Administration will be treated as a first charge on realisations in the CVL.

4 Creditors claims

- 4.1 I have received several creditors' claims, and it will now become my duty as Liquidator to agree these. Creditors who have yet to submit their claims should do so as soon as possible, by completing and returning the enclosed Proof of Debt form.

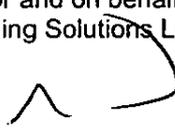
5 Administrator's remuneration

- 5.1 An analysis of the time spent and charge out values for the six months to 19 December 2008 is attached. I have incurred time costs of some £86k, against which I have drawn fees of some £84k.

6 Concluding remarks

- 6.1 In order to implement the CVL, I have sent notice to Companies House, pursuant to paragraph 83 of schedule B1. On registration of the notice, my appointment as Administrator will cease to have effect and the company shall be wound up as if a resolution for voluntary winding up under section 84 of the Insolvency Act 1986 were passed on the day the order was registered. I will act as Liquidator in the CVL.
- 6.2 In accordance with Rule 2.117 of the Insolvency Rules 1986, I attach a copy of the notice.
- 6.3 Should you have any queries regarding this report, please contact my manager, Nigel Mayhew.

Yours faithfully
For and on behalf of
Piling Solutions Limited


Steven M Law
Administrator

Appendix A

Resolutions approved by creditors.

Resolution A

- 1 The Administrator's actions in completing three contracts and in selling the assets are approved.
- 2 The Administrator shall continue to collect the company's book debts through his agent and any other assets, as appropriate.
- 3 Should there be funds available to distribute to creditors following the completion of proposals 1 and 2 above, that the Administrator moves to place the company into Creditors' Voluntary Liquidation (CVL), as the objective of the Administration will have been achieved.
- 4 If appropriate, the Administrator will send notice to Companies House, pursuant to paragraph 83 of schedule B1, as soon as the Company is ready to be placed into CVL. On registration of the notice, the appointment as Administrator will cease to have effect and the Company shall be wound up as if a resolution for voluntary winding up under section 84 of the Insolvency Act 1986 were passed on the day the order was registered.
- 5 The Administrator, Steven Law, will act as Liquidator in the CVL.
- 6 The Liquidator, once appointed, be authorised to pay preferential classes of creditors in full, if appropriate, and the balance of funds available be distributed by way of a dividend to the unsecured creditors.
- 7 The Liquidator, once appointed, be authorised to take any action he considers appropriate, compromise any debt owing to the company, or any claim against the company.

In addition to the above proposals, I propose the following:

Resolution B

That the Administrator's remuneration (and subsequently that of the Liquidator) be based on time properly spent by the Administrator/Liquidator and his staff in the course of their duties and that he be authorised to draw his fees, plus disbursements and VAT, as and when funds become available in the Administration/Liquidation.

Resolution C

That Administrator's disbursements (and subsequently those of the Liquidator) be authorised in accordance with the charges noted at Appendix E.

**Piling Solutions Ltd
(In Administration)**

**'s Abstract Of Receipts And Payments
To 19 December 2008**

Appendix B.

RECEIPTS	Total (£)
Plant , machinery and office equipment	128,027.27
Motor Vehicles	37,044.54
Tax Refunds	488.88
Book Debts & Contract receipts	245,716.21
Spie Fondations (for salary payment)	43,148.17
Cash at Bank	52,653.45
Sundry Refunds	67.21
Bank Interest Gross	1,699.68
VAT Payable	28,630.05
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	537,475.46

PAYMENTS

Trading costs	34,849.14
Rates	1,764.96
Telephone	142.81
Sundry Expenses	3,421.65
Vehicle Running Costs	1,461.50
Internet	108.78
Finance Company(1)	845.57
Specific Bond	628.00
Courier	42.00
Office Holders Fees	84,004.40
Postage	232.28
Court Fees	30.00
Photocopying	523.80
Agents/Valuers Fees	38,126.03
Agents Disbursements	2,003.06
Legal Fees (1)	2,617.00
Travelling	2,276.35
Storage Costs	90.00
Re-Direction of Mail	53.10
Statutory Advertising	466.02
Rents Payable	5,750.00
Wages & Salaries	117,929.34
PAYE & NI	53,479.79
Bank Charges	2,584.14
Employee Expenses	810.09
Pension Schemes	1,102.75
VAT Receivable	8,885.25
	<hr/>
	364,227.81
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Balance	173,247.65

MADE UP AS FOLLOWS

Bank 1 Current	173,247.65
	<hr/>
	173,247.65

PILING SOLUTIONS LIMITED - IN ADMINISTRATION

TIME AND CHARGE OUT SUMMARY TO 19 DECEMBER 2008

Classification of work	Partner hours	Managers hours	Administrators & support staff hours	Total hours	Time cost £	Average hourly rate £
Consideration of Appointment	2.3	7.5	6.8	16.4	2,212.80	135
Realisation of assets	20.4	55.8	80.0	156.2	21,010.00	135
Sale of business	8.1	15.4	5.1	28.6	4,597.70	161
Creditors	11.3	35.0	56.3	102.6	12,464.90	121
Trading	10.4	36.5	54.3	101.2	12,993.10	128
Administration & planning *	7.6	46.6	164.5	218.7	20,532.40	94
Employees	3.3	25.6	108.4	137.3	12,955.00	94
Total hours	63.4	222.4	475.2	761.0		
Hourly rate	£240	£150-158	£22-95			
Total fees £	15,216.00	34,707.20	36,842.70		86,765.90	114

DISBURSEMENTS SUMMARY TO 19 DECEMBER 2008

	Billed £	Unbilled £	Total £
Category 1			
Court Fee	30.00	-	30.00
Travel, Meetings & Courier	221.08	-	221.08
Postage	232.28	-	232.28
	<u>483.36</u>	<u>-</u>	<u>483.36</u>
Category 2			
Mileage & Travel	2,097.27	75.00	2,172.27
Photocopying	523.80	-	523.80
	<u>2,621.07</u>	<u>75.00</u>	<u>2,696.07</u>
Total	<u>3,104.43</u>	<u>75.00</u>	<u>3,179.43</u>

* Administration & Planning. Includes: Case planning and reviews, statutory returns and advertising, maintenance of bank accounts & estate records, matters relating to post appointment tax and VAT, general correspondence, meetings.

**PROOF OF DEBT - GENERAL FORM
ADMINISTRATION**

**In the matter of PILING SOLUTIONS LIMITED – IN ADMINISTRATION
and in the matter of the Insolvency Act 1986**

Date of Administration: 20 June 2008

1. Name of Creditor
(If company please also give company registration number)

2. Address of Creditor for correspondence

3. Total amount of claim, including any VAT and outstanding uncapitalised interest as at the date the company went into liquidation
Total gross claim £ =====

4. Details of any document by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion, as may the official receiver whilst acting as receiver and manager, or the chairman or convenor of any meeting.)

5. If total amount in 3 includes outstanding uncapitalised interest please state amount £

6. Particular of how and when debt incurred (If you need more space append a continuation sheet to this form)

7. Particulars of any security held, the value of security and the date it was given £

8. Particulars of any reservation of title claimed, including details of goods supplied, their value and when supplied

9. Signature of creditor or person authorised to act on his behalf _____
Name in **BLOCK LETTERS** _____
Position with or relation to creditor _____ Date _____
Address of person signing (if different from 2 above) _____

Admitted to vote for

Admitted for dividend for

£
Date
Chairman

£
Date
Liquidator

