

The Insolvency Act 1986

**2.24B****Joint Administrators' progress report**

Name of Company
Fire Realisations Limited (formerly Fireshield Cable Systems Limited)

Company number
4011446

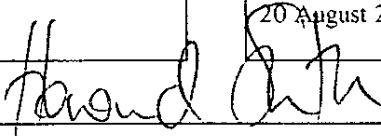
In the High Court Leeds District Registry <small>[full name of court]</small>
---

Court case number
2407 of 2009

We  
Howard Smith  
KPMG LLP  
St James' Square  
Manchester  
M2 6DS  
United Kingdom

Mark Granville Firmin  
1 The Embankment  
Neville St  
Leeds  
LS1 4DW

Joint Administrators of the above company attach a progress report for the period

from	to
27 February 2010	20 August 2010
	
Signed	Joint Administrators
Dated	20 August 2010

**Contact Details.**

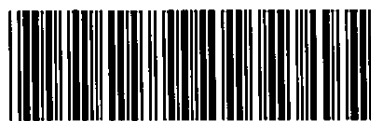
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Carolyn Foden KPMG LLP St James' Square Manchester M2 6DS United Kingdom		Tel
DX Number	DX 724620 Manchester 42	DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -

Companies House, Crown Way, Cardiff CF14 3UZ

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FRIDAY



**Fire Realisations Limited (in  
Administration)**

**Final Progress Report to  
Creditors pursuant to Rules  
2.47 and 2.110 of the  
Insolvency (Amendment)  
Rules 2003**

KPMG LLP

20 August 2010

*This report contains 6 pages*

*Appendices contain 6 pages*

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*Fire Realisations Limited (in Administration)*  
*Final Progress Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency*  
*(Amendment) Rules 2003*  
*KPMG LLP*  
*20 August 2010*

*Notice about this Report*

*This Report has been prepared by Howard Smith and Mark Granville Fimin the Joint Administrators of Fire Realisations Limited (formerly known as Fireshield Cable Systems Limited), solely to comply with their statutory duty to report to creditors under the Insolvency Rules 1986 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.*

*This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Fire Realisations Limited.*

*Any estimated outcomes for creditors included in this Report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.*

*Any person that chooses to rely on this Report for any purpose or in any context other than under the Insolvency Rules 1986 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Report to any such person.*

*Howard Smith is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association. Mark Fimin is authorised to act as an insolvency practitioner by the Institute of Accountants of England and Wales. The Joint Administrators act as agents for Fire Realisations Limited and contract without personal liability.*

*The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the administration.*



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*Fire Realisations Limited (in Administration)*  
*Final Progress Report to Creditors pursuant to Rules 2 47 and 2 110 of the Insolvency*  
*(Amendment) Rules 2003*  
*KPMG LLP*  
*20 August 2010*

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## 1 Glossary

Joint Administrators	Howard Smith and Mark Granville Firmin
Administration	The Administration Order granted by the High Court of Justice, Chancery Division, Leeds District Registry, in respect of Fireshield Cable Systems Limited dated 27 August 2009  Court Administration Order number 2407 of 2009
The Company	Fire Realisations Limited (formerly known as Fireshield Cable Systems Limited) (in administration)
The Purchaser	Shallow End Limited
Secured Creditors	Barclays, PIF and James Maxfield
RRG	KPMG Receivables and Realisations Group
PIF	Partnership Investment Small Loans Fund LP



## 2 **Other information required by Rule 2.47 of the Insolvency (Amendment) Rules 2003**

Date of appointment	9 June 2000
Company registered number	04011446
Previous registered office	2 The Crossings Business Park Riparian Way Cross Hills Keighley BD20 7BW
Present registered office	KPMG LLP 1 The Embankment Neville Street Leeds LS1 4DW
Appointor	James David Maxfield

In accordance with Paragraph 100(2) of Schedule B1 Insolvency Act 1986, the functions of the Joint Administrators are being exercised by either, both or all of the Administrators



### **3 Introduction**

Further to my report of 23 March 2010, I write to provide my final report on the outcome of the Administration of Fire Realisations Limited in accordance with Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules 2003

The Joint Administrators' proposals have now been completed. There is no prospect of a dividend to unsecured creditors. As such the Joint Administrators will now file this report and Form 2.35B at Companies House to enable the Company to be dissolved.

For your information, a final abstract receipts and payments account for the period 27 February 2010 to 20 August 2010 is attached at Appendix 2.

### **4 Progress of the Administration to 20 August 2010**

Since my last report I have sought and obtained approval from the Secured Creditors for the Joint Administrators' remuneration, as detailed in paragraph 5.2.1 below. A distribution was also made to Barclays for monies owed under its fixed charge held over the Company, as detailed in paragraph 6.1.1 below.

The Joint Administrators' proposals have been completed and consequently, the Company will be dissolved approximately three months after the filing of this report at Companies House.

### **5 Receipts and payments**

An analysis of receipts and payments for the period 27 February 2010 to 20 August 2010 is attached at Appendix 1 and details of these receipts and payments are discussed below.

The receipts and payments are shown net of VAT.

#### **5.1 Receipts**

##### **5.1.1 Goodwill**

As previously reported the business and assets of the Company was sold to the Purchaser for consideration of £94,050, of which the sum of £84,150 was deferred. At the time of my last report the sum of £18,150 had been received. The remaining element of the deferred consideration related to goodwill and since my last report I have received a further quarterly tranche of £6,600. However, the Purchaser went into liquidation on 28 June 2010 and no further payments are therefore expected in this regard.





**5.1.2 Bank interest**

The total sum of £9 was received in respect of interest earned on funds in the bank account

**5.2 Payments**

**5.2.1 Joint Administrators' remuneration**

The statutory provisions relating to remuneration are set out in Rule 2.106 of the Insolvency Rules 1986

To date the Joint Administrators' time has amounted to 394 hours at a total cost of £92,702 and an average hourly rate of £235. A detailed analysis of these costs, prepared pursuant to Statement of Insolvency Practice 9, is attached to this report as Appendix 3

As there is no prospect of a distribution to the unsecured or preferential creditors, Joint Administrators' fees require the approval of the Secured Creditors. The Joint Administrators have the approval of the Secured Creditors in this case to draw fees and a total of £15,187 has been drawn in this respect, split between fixed and floating charge realisations

A creditors' guide to fees can be found at

[http://www.r3.org.uk/uploads/sip/SIP9\\_v5\\_April\\_2007\(1\).pdf](http://www.r3.org.uk/uploads/sip/SIP9_v5_April_2007(1).pdf)

However, if you are unable to access this guide and would like a copy, please contact Carolyn Foden

**5.2.2 VAT**

The company was registered for the purposes of VAT and I was, therefore, able to recover VAT incurred on certain costs of the administration, where allowed under current legislation

**5.2.3 Legal fees**

Solicitors were instructed to advise and assist in relation to the sale of the Company's business and assets. Their charges totalled £2,500

**6 Creditors**

**6.1 Secured creditors**

**6.1.1 Barclays Bank plc and Barclays Asset and Sales Finance**

As previously reported, Barclays Bank held a fixed and floating charge dated 14 May 2002, over the Company's assets. According to the Company's Statement of Affairs, the



amount outstanding to Barclays at the date of my appointment was £228,658. A first and final distribution in the sum of £4,900 was recently paid to Barclays in this regard.

Barclays Asset and Sales Finance had an invoice finance agreement in place in relation to the Company's pre-appointment book debts. The amount outstanding to BASF at 27 August 2009 was £38,829 and as previously reported the sum of £13,762 was collected by RRG. The remaining debts were written off as they proved to be uncollectable. Therefore BASF suffered a shortfall in this regard.

#### **6.1.2 Partnership Investment Small Loans Funds L.P**

As previously reported, PIF held a fixed and floating charge, dated 18 May 2007, over the Company's assets and, according to the Company's Statement of Affairs, the sum of £71,344 was outstanding at the time of my appointment.

There were insufficient funds available to enable a distribution to be made in respect of this charge.

#### **6.1.3 James David Maxfield**

As previously reported James Maxfield held a fixed and floating charge, dated 12 June 2008, over the Company's assets.

There were insufficient funds available to enable a distribution to be made in respect of this charge.

### **6.2 Preferential creditors and unsecured creditors**

As previously reported, no funds became available for distribution to either the preferential or unsecured creditors.

## **7 Joint Administrators' proposals**

A copy of the Joint Administrators' proposals was sent to all creditors on 19 October 2009 as part of the initial report to creditors. The proposals are summarised at Appendix 5. There have been no amendments to or deviations from the Joint Administrators' proposals.

Consequently, in accordance with Resolution (1) of the proposals, it is our intention to apply to have the Company dissolved.



## 8 Conclusion of the administration

As referred to above, the Joint Administrators' proposals have been completed and, consequently, the Company will be moved to dissolution three months after the filing of this report at Companies House

Yours faithfully

Howard Smith  
*Joint Administrator*



*Fire Realisations Limited (in Administration)*  
*Final Progress Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency*  
*(Amendment) Rules 2003*  
*KPMG LLP*  
*20 August 2010*

## Appendix 1 - Receipts and payments account as at 20 August 2010

**Fire Realisations Limited (formerly Fireshield Cable Systems Limited)**  
**(In Administration)**  
**Administrators' Abstract of Receipts & Payments**

Statement of Affairs	From 27/02/2010 To 20/08/2010	From 27/08/2009 To 20/08/2010
<b>FIXED CHARGE ASSETS</b>		
1 00 Transferred Records	NIL	1 00
1 00 Customer contracts	NIL	1 00
1 00 Business Name	NIL	1 00
1 00 Business Rights	NIL	1 00
79 200 00 Goodwill	6 600 00	9 900 00
Bank interest gross	3 25	3 25
	<u>6 603 25</u>	<u>9 907 25</u>
<b>FIXED CHARGE COSTS</b>		
Administrators' fees	5 007 25	5 007 25
	<u>(5 007 25)</u>	<u>(5 007 25)</u>
<b>FIXED CHARGE CREDITORS</b>		
(228 658 00) Barclays Bank Plc	4 900 00	4 900 00
(71 343 83) Partnership Investment Finance	NIL	NIL
(265 466 77) James David Maxfield	NIL	NIL
	<u>(4 900 00)</u>	<u>(4 900 00)</u>
<b>HP/LEASING</b>		
15 681 54 Book Debts subject to BASF agreement	NIL	NIL
(22 525 77) Barclays Asset and Sales Finance (BASF)	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>ASSET REALISATIONS</b>		
5 000 00 Plant & machinery	NIL	5 000 00
9 846 00 Stock	NIL	9,846 00
23 000 00 Cash at bank	NIL	NIL
	<u>NIL</u>	<u>14 846 00</u>
<b>OTHER REALISATIONS</b>		
Bank interest gross	6 18	8 29
	<u>6 18</u>	<u>8 29</u>
<b>COST OF REALISATIONS</b>		
Statement of affairs work	NIL	375 00
Pre appointment payroll submission	NIL	350 00
Administrators' fees	10 179 83	10 179 83
Agents Valuers fees	NIL	1 000 00
Legal fees	2 500 00	2 500 00
Legal disbursements	NIL	154 38
Statutory advertising	NIL	190 08
Insurance of assets	NIL	105 00
	<u>(12 679 83)</u>	<u>(14 854 29)</u>
<b>PREFERENTIAL CREDITORS</b>		
(260 72) Employees' wage arrears	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
<b>UNSECURED CREDITORS</b>		
(39 621 09) Trade & expense	NIL	NIL
(2 539 28) Employees	NIL	NIL
(101 000 00) Inter Company Loan Account	NIL	NIL



**Fire Realisations Limited (in Administration)**  
*Final Progress Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency  
(Amendment) Rules 2003*  
**KPMG LLP**  
**20 August 2010**

**Fire Realisations Limited (formerly Fireshield Cable Systems Limited)**  
**(In Administration)**  
**Administrators' Abstract of Receipts & Payments**

Statement of Affairs		From 27/02/2010 To 20/08/2010	From 27/08/2009 To 20/08/2010
(2 103 02)	Non-preferential VAT	<u>NIL</u> <u>NIL</u>	<u>NIL</u> <u>NIL</u>
	DISTRIBUTIONS		
(1 00)	Ordinary shareholders	<u>NIL</u> <u>NIL</u>	<u>NIL</u> <u>NIL</u>
(660 790 94)		<u>(15 977 65)</u>	<u>0 00</u>
REPRESENTED BY			<u><u>NIL</u></u>



## Appendix 2 - Joint Administrators' abstract receipts and payments account for the period 27 February 2010 to 20 August 2010

ABSTRACT OF RECEIPTS AND PAYMENTS - 27/02/2010 to 11/08/2010 Appendix to Form 2.24  
 Fire Realisations Limited (formerly Fireshield Cable Systems Limited) Page 1

RECEIPTS		£
Brought forward from previous Abstract (if Any)		18 462 53
Goodwill		6 600 00
Bank interest gross		3 25
Bank interest gross		6 18
Carried forward to		25 071 96
* continuation sheet / next abstract		
PAYMENTS		£
Brought forward from previous Abstract (if Any)		2 454 88
Administrators' fees		5 007 25
Barclays Bank Plc		4 900 00
Administrators' fees		10 179 83
Legal fees		2 500 00
Carried forward to		25 071 96
* continuation sheet / next abstract		

Note: The receipt and payment totals may be added up at the foot of each sheet and the totals carried forward and brought down to the next sheet without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the administrator since he was appointed.



**Fire Rehearsals Limited (in Administration)**  
**Final Progress Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency**  
**(Amendment) Rules 2003**  
**KPMG LLP**  
**20 August 2010**

## Appendix 3 - Joint Administrators' time costs to 20 August 2010

Fire Rehearsals Limited (formerly Fireshield Cable Systems Limited) (in administration)

Reporting period: 27 February 2010 to 10 August 2010

SIP 9 Compliant fees worksheet

Consolidated time spent by grade	Partner/Director	Management	Administrators	Support	Total Hours	Total Cost £	Average Rate £
<b>Activities</b>							
<b>Administration &amp; planning</b>							
Statutory Receipts & Payments	0.00	0.00	2.95	0.00	2.95	528.75	179.24
Strategy documents	0.00	1.10	0.00	0.00	1.10	352.00	320.00
Closure & related formalities	0.00	1.40	6.70	0.00	8.10	1,598.50	197.35
Checklists and reviews	0.00	1.10	9.65	0.00	10.75	1,944.25	180.86
Fees & WIP	0.00	4.85	2.80	0.10	7.75	2,243.00	289.42
General cashing	0.00	0.00	4.55	0.00	4.55	776.75	169.82
Reconciliations	0.00	0.30	2.30	0.00	2.60	505.50	194.42
Post appointment VAT	0.00	0.00	0.70	0.00	0.70	157.50	225.00
Post appointment CT	0.00	3.60	7.95	0.00	11.55	3,246.75	281.10
	0.00	12.35	37.60	0.10	50.05	11,333.00	226.43
<b>Realisation of assets</b>							
Debtors	0.00	0.95	7.00	0.00	7.95	1,459.00	183.52
Goodwill	0.00	1.05	0.00	0.00	1.05	336.00	320.00
Sale of business	0.00	0.10	0.00	0.00	0.30	96.00	320.00
Deferred consideration	0.00	2.20	0.00	0.00	2.20	891.00	405.00
	0.00	4.50	7.00	0.00	11.50	2,782.00	241.91
<b>Creditors</b>							
Notify creditors	0.00	0.00	1.20	0.00	1.20	270.00	225.00
Reports to creditors	1.50	4.80	15.10	0.00	21.40	4,849.50	226.61
Reports to debenture holders	3.20	7.70	5.40	0.00	16.30	4,763.00	292.21
Secured creditors	0.00	1.30	4.10	0.00	5.40	1,263.00	233.89
	4.70	13.80	25.80	0.00	44.30	11,145.50	251.59
<b>Total hours cost</b>	<b>4.70</b>	<b>30.65</b>	<b>70.40</b>	<b>0.10</b>	<b>105.85</b>	<b>25,260.70</b>	<b>238.64</b>
<b>Fees drawn</b>							
B f			0.00		287.80	67,441.50	234.33
In the period			15,079.83		105.85	25,260.70	238.64
C/f			15,079.83		393.65	92,702.00	235.49

**Notes**

All staff who have worked on this assignment including cashiers and secretarial staff have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.



#### **Appendix 4 - Joint Administrators' charge out rates**

	<b>Restructuring</b>	<b>Tax</b>	<b>VA F</b>	<b>Pensions</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Partner	515	595	865	745
Director	440	535	775	670
Senior Manager	405	375-470	545-680	470-590
Manager	320	255-305	370-435	320-385
Administrator	225	185-220	270-315	235-275
Assistant Administrator	165	85-185	120-235	110-235

*Source: KPMG fees at 1 July 2009*



## **Appendix 5 - Joint Administrators' original proposals**

The Joint Administrators proposed the following

### **Resolution 1**

- to continue to do all such things reasonably expedient and generally exercise all their powers as contained in Schedule B1 of the Insolvency Act 1986 as Joint Administrators as they, in their discretion, consider desirable in order to fulfil the objective of maximising realisations from the assets of the Company,
- to seek an extension to the Administration period if deemed necessary by the Joint Administrators pursuant to Paragraph 76 of Schedule B1 to the Act,
- when it is considered that no further distributions to creditors will be made and that the Joint Administrators have concluded their duties, to take the necessary steps to move the Company from Administration to Dissolution, pursuant to Paragraph 84 of Schedule B1 to the Act,
- to investigate and, if appropriate, pursue any claims the Company may have,
- to allow the Administration to cease to have effect following the 12 month period or any extension thereof,
- if the Joint Administrators consider that a distribution will be made to unsecured creditors of the Company to take the necessary steps to move the Company into Creditors' Voluntary Liquidation pursuant to Paragraph 83 of Schedule B1 to the Act,
- if Creditors' Voluntary Liquidation is deemed appropriate, the Joint Administrators would be permitted to seek the appointment of Howard Smith and Mark Firmin of KPMG LLP as Joint Liquidators of the Company without any further recourse to creditors. In accordance with Paragraph 83(7) and Rule 2.117(3), creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved
- if one of the criteria set out in Paragraph 79(2) of Schedule B1 to the Act apply to the Company, to make an application to court to end the Administration and, if deemed appropriate, to petition the court for the winding up of the Company. If appropriate, the Joint Administrators will, at the same time, apply to be appointed as Joint Liquidators under Section 140(1) of the Act and the Joint Administrators will seek a resolution from creditors to be discharged from liability 14 days after the cessation of their appointment as Joint Administrators, in respect of any action of the Joint Administrators pursuant to Paragraph 98 of Schedule B1 of the Insolvency Act 1986
- that the Joint Administrators be discharged from liability in accordance with Paragraph 98 (2) of Schedule B1 of the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect
- in the event that Howard Smith and Mark Firmin are appointed Joint Liquidators then they will be allowed to act jointly and severally



## **Resolution 2**

In relation to Administrators' fees

- That in the event that no creditors committee is formed, the Joint Administrators be authorised to draw fees on account from the assets of the Company from time to time, during the period of the Administration, based on time properly spent by KPMG LLP. Time costs incurred by the Joint Administrators are to reflect the complexity of the assignment in accordance with the charge out rates detailed in Appendix 3,
- that the costs of KPMG LLP in respect of HSE, Pension, Tax, RRG (Receivables Realisations Group) and VAT advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of the Company