

The Insolvency Act 1986

Administrator's progress report

| |
|-----------------------------|
| Name of Company |
| Wellman Boiler Hire Limited |

| |
|----------------|
| Company number |
| 05380330 |

| |
|--|
| In the High Court of Justice, Chancery Division, Companies Court (full name of court) |
|--|

| |
|-----------------------------------|
| Court case number 5605 of 2014 |
|-----------------------------------|

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

We
Anthony Harry Hyams
Insolve Plus Ltd
4th Floor Allan House
10 John Princes Street
London
W1G 0AH


Lloyd Edward Hinton
Insolve Plus Ltd
4th Floor Allan House
10 John Princes Street
London
W1G 0AH

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

(b) Insert date

| | |
|------------------|--------------|
| From | To |
| 26 December 2015 | 25 June 2016 |

Signed


 Joint Administrator

Dated

18 July 2016

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

Anthony Harry Hyams
Insolve Plus Ltd
4th Floor Allan House
10 John Princes Street
London
W1G 0AH

DX Number

020 7495 2348
DX Exchange



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A26 21/07/2016 #166
COMPANIES HOUSE

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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

THURSDAY

Strictly Private and Confidential

Wellman Boiler Hire Limited - In Administration
High Court of Justice No 5605 of 2014

Joint Administrators' Progress Report

18 July 2016

Anthony Harry Hyams and Lloyd Edward Hinton
Joint Administrators

Insolve Plus Ltd
4th Floor Allan House
10 John Princes Street
London W1G 0AH

Tel 020 7495 2348
Fax 020 7495 2318

Wellman Boiler Hire Limited - In Administration

1. Introduction

This report is prepared pursuant to Rule 2.47 of the Insolvency Rules 1986 (as amended) in relation to Wellman Boiler Hire Limited - In Administration ("WBH" or "the Company"), to provide you with an update as to the present position of the Administration.

This report should be read in conjunction with our report and proposals that were circulated to creditors on 30 September 2014 and our progress reports of 4 March 2015 which covered the period 7 August 2014 to 6 February 2015, 25 June 2015 which covered the period from 7 February 2015 to 25 June 2015 and 20 January 2016 which covered the period from 26 June 2015 to 25 December 2015.

In accordance with Paragraph 100 (2) of Schedule B1 to The Insolvency Act 1986 ("Insolvency Act") all functions by the Joint Administrators may be executed by any or either of them.

2. Statutory information

Anthony Harry Hyams and Lloyd Edward Hinton of Insolve Plus Ltd, 4th Floor Allan House, 10 John Princes Street, London W1G 0AH were appointed as Joint Administrators of WBH following the filing of a "Notice of Appointment of an Administrator" by WTD Limited ("WTD") in their capacity as a Qualifying Floating Charge Holder ("QFCH") in the High Court of Justice Chancery Division Companies Court on 7 August 2014 under reference 5605 of 2014.

Details of the statutory information for the Company are attached at Appendix 1.

The EC Regulations on Insolvency Proceedings 2000 do apply and these proceedings are, in our opinion, main proceedings as defined in Article 3 of the EC Regulation, as the Company had its principal place of business in England.

3. Details of Extension to Initial period of Appointment

Creditors will recall from the Joint Administrators letter of 16 July 2015 that in accordance with Paragraphs 76(2)(b) and 78(2)(a) of Schedule B1 of The Insolvency Act 1986 a request for consent to extend the Administration was made to the Secured creditor of the Company on 25 June 2015 to enable the Joint Administrators to continue their investigations into how the intercompany balances have arisen, progress the claim against a third party and collect monies due to the Company.

In order for the consent to be granted approval must be given by 100% of the Company's secured creditors which was received.

Accordingly the Joint Administrators gave notice to all known Creditors and Members that the Secured Creditor had given their consent to the extension of the Administration and that Form 2.31B, being the Notice of extension of period of Administration, had been filed with the Registrar of Companies giving notice that the Administration had been extended to 6 August 2016.

4. Conduct of the Administration from 26 December 2015 to 25 June 2016

You will recall that the purpose of the Administration was to achieve 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) in accordance with Paragraph 3(1)(b) of Schedule B1 of the Insolvency Act 1986 ("the Act").

The purpose was expected to be achieved as the value of the Company's assets have been preserved by continuing to trade the Company whilst a buyer was sought and it is anticipated that there will be a distribution to the unsecured creditors from the Prescribed Part.

In addition to seeking the consent of the Secured Creditor to extend the Administration by a period of 12 months as reported at Part 3 of this report, we also sort the following resolutions from the Secured Creditor pertaining to our remuneration and Category 2 Disbursements which were duly passed

- 1 That the Joint Administrators are remunerated on the basis of their time costs in respect of time properly spent by them and their team in dealing with all relevant issues of the Administration as per this firm's charging rates set out in this firm's Charging and Disbursements Policy
- 2 That the Joint Administrators are authorised to recover all disbursements including Category 2 disbursements as defined by SIP 9

As previously reported the managers of the Company completed a Management Buy Out ("MBO") through Robey-Wellman Boilers and Furnaces Limited ("RWBF") which was completed on 8 September 2014 but was effective from the 1 September 2014

We reported that we had yet to account for the balance of the funds due under the MBO and this matter remains ongoing

In addition our investigations into certain transactions entered into by the Company specifically in relation to how the intercompany balance due to Wellman Thermal Services Limited has arisen. These investigations are ongoing and we shall provide a further update in a subsequent report.

I have been liaising with the Company's former bankers, Barclays Bank Plc who have now closed the account and forwarded the balance of £8

As the second anniversary of our appointment approaches, we have considered whether we should apply to extend the administrations further or move into Creditors' Voluntary Liquidation

There are sufficient funds to enable a distribution to be paid to unsecured creditors under the Prescribed Part and coupled with the ongoing investigations within the group the move to Creditors' Voluntary Liquidation is appropriate. Therefore we will shortly be filing the relevant form to convert the Administration to Liquidation

5. Trading Period

As previously reported, we continued to trade the Company for a number of weeks to preserve the value of its business and assets and to enable us to seek a buyer. We attach at Appendix 2 a Trading Account for the period 26 December 2015 to 25 June 2016. As the Company has not actively traded during the period covered by this report there are no transactions to report upon

5.1 Trading Surplus

An overall surplus of £33,910 has been made for the entire period of the Administration to date

6. Summary of Receipts & Payments

You will find attached at Appendix 3 a summary of our receipts and payments account for the period since our previous report being 26 December 2015 to 25 June 2016 together with a receipts and payments account covering the entire period of the Administration to 25 June 2016 which should be read in conjunction with the information contained in this report, our report and proposals dated 30 September 2014 and progress reports dated 4 March 2015, 25 June 2015 and 20 January 2016

As the Company is VAT registered, all transactions are shown net of VAT where applicable

We specifically comment on the receipts and payments during the period as follows

6.1 Receipts Subject to Fixed Charge

There have been no further receipts subject to the fixed charge

6.2 Receipts Not Specifically Pledged

6.2.1 Refund of Bank Charges

A sum of £8 has been received from Barclays Bank Plc which represented a refund of bank charges

6.2.2 Bank Interest Gross

The Administration funds are held on an interest bearing account with Metro Bank PLC and during the period further gross interest of £95 has been received

Throughout the entire period of the Administration gross interest of £258 has been received

6.3 Assets remaining to be realised

The balance due in respect of the MBO will be accounted for shortly

6.4 Payments in respect of Fixed Charge Realisations

There have been no further payments in respect of fixed charge realisations

6.5 Payments not subject to Fixed Charge Realisations

6.5.1 Legal Fees

A further amount of £12,981 has been paid to Charles Russell Speechlys in respect of their fees for providing legal advice during the Administration as and when required

6.5.2 Corporation Tax

A sum of £17 has been paid to HM Revenue & Customs in respect of Corporation Tax for the first year of the Administration

7. The Joint Administrators' Investigation

We previously reported that within six months of our appointment as Joint Administrators, we are required to submit a confidential report 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 them unfit to be concerned with the management of the Company. We would confirm that our report has been submitted.

Our investigations are continuing in particular with regard to how the intercompany balance with Wellman Thermal Services Limited has arisen.

We will provide creditors with an update in a subsequent report.

8. Expected Outcome for Creditors

8.1 Secured Creditors

As previously advised the following charge has been registered at Companies House and remains outstanding

WTD Limited – Debenture created on 27 February 2014 and delivered on 7 March 2014

Due to the financial difficulties faced by the Company and the subsidiary companies, demand was made by WTD for the sum £1,510,000 as a result of the cross guarantees that had been provided to them

It should be noted that as a result of the charges and interest levied by WTD, which they are entitled to do pursuant to their facility with the Company the debt due to them has increased. We referred this matter to Charles Russell Speechlys who confirmed that it is consistent with normal industry factoring and invoice discounting practice rates.

During the period covered by this report no further payments have been received by WTD from realisations achieved during the course of the Administration.

However you will recall from our first progress report that during the period 7 August 2014 to 6 February 2015 the sum of £22,500 has been received by WTD following the sale of the Company's Business Intellectual Property Rights and Goodwill.

As part of the cross guarantees provided by the four companies over which we have been appointed Joint Administrators, WTD has also received monies from those companies.

However it should be noted that as WTD will not be discharged in full from fixed charge realisations they will therefore also rank as a floating charge creditor.

8.2 Preferential Creditors

As the Company did not have any employees no preferential claims have been received.

8.3 Floating Charge Creditors and the Prescribed Part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "Prescribed Part of the net property."

A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

The Company granted a fixed and floating charge to WTD on 27 February 2014. It is not anticipated that the debt due to WTD will be fully repaid from fixed charge realisations from the Company and other companies over which the cross guarantees apply and WTD will therefore rank as a floating charge creditor.

It should be noted that as WTD's floating charge was created after the 15 September 2003 and WTD has received in excess of £10,000 under its floating charge, Section 176 of The Insolvency Act 1986 which deals with the Prescribed Part will apply

Creditors will note that to date the sum of £131,000 has been paid to WTD under its floating charge. Therefore the Prescribed Part which has been set aside for the benefit of the unsecured creditors subject to the costs of the Prescribed Part amounts to £36,500

In addition to the claim of WTD shown on the Director's statement of affairs that was previously provided, as a result of other companies discharging part of the debt due by WBH to WTD under the cross guarantees provided those companies may also have a claim in the Administration and we will seek the advice of Charles Russell Speechlys as to the ranking of those claims

The claim of WTD may be subject to subrogation in respect of those payments made to WTD by those companies that provided cross guarantees and this will be determined in due course

8.4 Unsecured Creditors

The Directors Statement of Affairs indicated that unsecured creditors were owed £669,662 and we have since received claims from two trade and expense creditors which amount to £4,550

In addition a claim of £350,066 has been received from HM Revenue & Customs in respect of VAT which is lower than the amount shown on the Directors statement of affairs

It should be noted that as the Company was part of a VAT Group, HM Revenue & Customs are entitled to claim for the full amount owing from all members of the VAT Group

As reported at part 8.3 the Prescribed Part which has been set aside for the benefit of unsecured creditors amounts to £36,500 and therefore there will be sufficient funds to enable a distribution to unsecured creditors

9. The costs spent in the conduct of the Administration

9.1 Pre-administration Costs

You will recall from the Joint Administrators' report and proposals that WTD Limited discharged the pre-administration costs due to Insolve Plus of £5,000

9.2 Post Appointment Fees

A Creditors' Guide to Fees, which provides guidance as to how an insolvency practitioner's remuneration is authorised may be obtained from the Insolve Plus website via the following link, www.insolveplus.com/services/creditors-guides/ Alternatively, you may telephone this office requesting a copy of the said document, whereupon one will be sent to you free of charge

As reported at Part 4 of this report the Secured Creditor approved the Joint Administrators' fees on a time cost basis in respect of time properly spent by them and their team in dealing with all relevant issues of the Administration as per this firm's charging rates set out in this firm's Charging and Disbursements Policy together with the drawing of Category 2 Disbursements

9.3 Remuneration Drawn

During the period covered by this report no remuneration has been drawn

Throughout the entire period of the Administration to 25 June 2016 total remuneration amounts to £37,500 which includes an amount of £7,500 received from WTD directly on account of time incurred in dealing with the fixed charge asset recovery and £30,000 in respect of floating charge assets

9.4 Time-cost

In accordance with Rule 2.47 (1) (b) (i) and (ii) of The Insolvency Rules 1986 (as amended) we are required to provide a statement of the work carried out by our staff and us during the period of the report and where the report is the first to be made after the basis of remuneration has been fixed a statement of work covered during the previous report.

At Appendix 4 is attached a summary of our time costs for the period covered by this report from 26 December 2015 to 25 June 2016, which amount to 13 hours and 30 minutes, culminating in a total charge out value of £3,885 at an average hourly charge out rate of £288. The analysis should be read in conjunction with the notes as described in section 9.5.1

We also attach at Appendix 5 a summary of our time costs for the entire period of the Administration to 25 June 2016 which amount to a total of 225 hours and 12 minutes spent by the Joint Administrators and their staff during the period, culminating in an overall time cost of £78,560 at an average hourly charge out rate of £349. The analysis should be read in conjunction with the notes as described in section 9.5.2

9.5 Areas of Time Expense

9.5.1 Period from 26 December 2015 to 25 June 2016

Administration and Planning

A total of 12 hours and 42 minutes have been spent resulting in a time expense of £3,660 by us and our staff engaged on this case at an average hourly rate of £288, which has included the following

- Maintaining physical case files and electronic case details
- Case planning and Administration
- Preparing and submitting post appointment VAT returns
- Submitting and reviewing the specific bond insurance
- Statutory Reporting
- Periodic review of the statutory bond insurance
- Maintaining the Administration bank account.
- Statutory Filing with the Registrar of Companies
- Statutory Returns to Court.
- Review of receipts in to the Administration estate account and accounts operated by Barclays Bank Plc on behalf of the Company

Realisation of Assets

A total of 6 minutes has been spent resulting in a time expense of £25 by us and our staff engaged on this case at an average hourly rate of £250, which has included the following

- Corresponding with Barclays Bank Plc in respect of closing the account.

Trading

A total of 6 minutes has been spent resulting in a time expense of £50 by us and our staff engaged on this case at an average hourly rate of £495, which has included the following

- Reviewing correspondence with Barclays Bank Plc regarding the closure of the account.

Creditors

A total of 36 minutes have been spent resulting in a time expense of £150 by us and our staff engaged on this case at an average hourly rate of £250, which has included the following:

- Liaising with creditors both verbally and by correspondence
- Review of amount owing to secured creditor

9.5.2 Period from 7 August 2014 to 25 June 2015

Administration and Planning

A total of 114 hours and 12 minutes have been spent resulting in a time expense of £34,392 by us and our staff engaged on this case at an average hourly rate of £301, which has included the following:

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Maintaining physical case files and electronic case details
- Case planning and Administration
- Corresponding with HM Revenue & Customs
- Opening the Administration bank account.
- Submitting and reviewing the specific bond insurance
- Statutory Reporting
- Maintaining the Administration bank account.
- Statutory Filing with the Registrar of Companies
- Statutory Returns to Court
- Preparing and submitting post appointment VAT returns
- Maintaining the Administration bank account
- Review of receipts in to the Administration estate account and accounts operated by Barclays Bank Plc on behalf of the Company
- Discussions with Directors
- Periodic case reviews
- Dealing with insurance

Investigation

A total of 7 hours and 30 minutes have been spent resulting in a time expense of £2,862 by us and our staff engaged on this case at an average hourly rate of £382, which has included the following:

- Meetings with Directors
- Preparation of the statutory CDDA reports
- Corresponding with the Department of Business Innovation & Skills
- Carrying out statutory investigations

Realisation of Assets

A total of 30 hours and 42 minutes has been spent resulting in a time expense of £12,781 by us and our staff engaged on this case at an average hourly rate of £416, which has included the following:

- Instructing and liaising with SIA Group in respect of the sale of assets
- Meeting with SIA Group

- Instructing and liaising with CRS in respect of preparing the sale agreement.
- Meetings with potential purchasers
- Discussions with WTD in respect of offers received from business and assets
- Conversations with potential purchasers
- Corresponding with Barclays Bank Plc in respect of requesting funds
- Liaising with CRS in respect of claims against third parties
- Meeting with third party in respect of the claim against them.
- Liaising with third party in respect of the claim against them
- Collecting monies due to the Company

Trading

A total of 61 hours and 48 minutes has been spent resulting in a time expense of £24,572 by us and our staff engaged on this case at an average hourly rate of £398, which has included the following:

- Travelling to and from trading premises.
- Corresponding with suppliers both verbally and by way of correspondence
- Corresponding with Barclays Bank Plc both verbally and by way of correspondence
- Keeping records of purchase orders raised and sales invoices
- Accounting for monies received during the course of trading
- Reviewing trading strategy
- Meetings with Directors
- Liaising with representatives of WTD in respect of trading loans
- Monitoring receipts in to Company's former bank account with Barclays Bank Plc
- Maintaining the trading records
- Travelling to and from trading premises
- Accounting for monies received during the course of trading and remaining due
- Maintaining the trading records

Creditors

A total of 11 hours have been spent resulting in a time expense of £3,954 by us and our staff engaged on this case at an average hourly rate of £359, which has included the following:

- Maintaining creditor information on IPS case management software
- Liaising with creditors both verbally and by correspondence
- Liaising with HM Revenue & Customs both verbally and by correspondence
- Preparing the Joint Administrators Proposals
- Meeting with the Charge Holder

9.6 Grades of staff used

The grades of staff are selected according to the nature of work required to be undertaken for each appointment. In this particular case we have been dealing with the realisation of assets, reviewing legal advice on the secured creditors' security, overseeing trading, and dealing with certain administrative tasks

Other staff charged out at lower rates have been employed to deal with the majority of the administrative aspects of the case. This is outlined in the attached SIP 9 time cost summary

10. Administration Expenses

10.1 Category 1 Disbursements

Creditors will note that during the period covered by this report the following Category 1 Disbursement has been paid by Insolve Plus Ltd on behalf of the Company. This disbursement has yet to be reimbursed.

Category 1 Disbursements

Courier

£

35 65

35 65

During the entire period of the Administration to 25 June 2016 the following Category 1 Disbursements were paid by Insolve Plus Ltd on behalf of the Company. To date an amount of £614 has been reimbursed to Insolve Plus Ltd.

Category 1 Disbursements

Statutory Advertising

£

75 12

Travel – Trading

814 30

Travel – Non Trading

379 00

Specific Bond

144 00

Subsistence

16 26

Courier

35 65

1,464 33

10.2 Category 2 Disbursements

Creditors will note that during the period covered by this report no further Category 2 Disbursements have been incurred. However during the entire period of the Administration to 25 June 2016 the following Category 2 Disbursement was paid by Insolve Plus Ltd on behalf of the Company. This disbursement has not yet been reimbursed to Insolve Plus Ltd.

Category 2 Disbursement

Travel

£

61.76

61 76

Attached to this report at Appendix 6 is a statement of the creditors' rights to request further information in accordance with Rule 2.48A of the Insolvency (Amendment) Rules 2010, and at Appendix 7 is their right to challenge our remuneration and expenses in accordance with Rule 2.109 of the Insolvency (Amendment) Rules 2010.

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 our 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 our 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.

11. Professional Advisors Appointed

The following agents or professional advisors have been utilised in this matter

| Professional Advisor | Nature of Work | Fee Arrangement |
|---------------------------|----------------|---|
| SIA Group | Valuer | Fixed Fee |
| Charles Russell Speechlys | Solicitors | Time Costs |
| Charles Russell Speechlys | Solicitors | Fixed fee in respect of preparation of sale agreement |

The choice of professionals was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them. The fee arrangements have been reviewed and we are satisfied that they are reasonable in the circumstances of this case.

It should be noted that all fees due to SIA Group have been discharged.

Charles Russell Speechlys continue to be engaged in this matter and have been paid fees of £23,472.

12. Summary

The Administration will shortly be converted into Liquidation to enable a distribution to be paid to unsecured creditors. Should you require any further information or clarification, please do not hesitate to contact Kelly Levelle of this office on 020 7495 2348.

Yours faithfully

Anthony Hyams
Joint Administrator

Enc

In accordance with Paragraph 45(1) of Schedule B1 to the Insolvency Act 1986, notice is hereby given that the affairs, business and property of Wellman Boiler Hire Limited - In Administration ('the Company'), is being managed by Lloyd Edward Hinton FIPA MABRP &, acting as Joint Administrators. Pursuant to paragraph 69 of Schedule B1 to the Insolvency Act 1986 the Joint Administrators act as agents of the Company and without personal liability.

Wellman Boiler Hire Limited - In Administration**Statutory Information**

| | |
|-----------------------|--|
| Company Name | Wellman Boiler Hire Limited |
| Date of Incorporation | 2 March 2005 |
| Company Number | 05380330 |
| Registered Office: | <p>From 19 08 2014 – 4th Floor Allan House, 10 John Princes Street, London W1G 0AH</p> <p>From 28 02 2014 – 1 Newfield Road, Oldbury, West Midlands B69 3ET</p> <p>From 12 04 2013 – Third Floor Wigglesworth House, 69 Southwark Bridge Road, London SE1 9HH</p> <p>From 04 05 2011 – Newfield Road, Oldbury, West Midlands B69 3ET</p> <p>From 27 03 2009 – Third Floor 81 Southwark Street, London SE1 0HX</p> <p>From 15 10 2008 – Octavia House 54 Ayres Street, London SE1 1EU</p> <p>From 08 09 2005 – Newfield Road, Oldbury, West Midlands B69 3ET</p> <p>From 31 08 2005 – 69-75 Boston Manor Road, Boston House, Brentford TW8 9JJ</p> <p>From 02 03 2005 – 44 Upper Belgrave Road, Clifton, Bristol, BS8 2XN</p> |
| Trading Address | Newfield Road, Oldbury, West Midlands B69 3ET |
| Nature of Business | Boiler Hire |
| Previous Names | <p>From 03 03 2014 – Wellman Boiler Hire Limited</p> <p>From 21 10 2008 – Ex KPW Limited</p> <p>From 14 09 2005 – KP Wellman Ltd</p> <p>From 02 03 2005 – Dawnview Engineering Limited</p> |

| | | <u>Appointed</u> | <u>Resigned</u> |
|-----------|--|------------------|-----------------|
| Directors | Graham Lucking | 30 06 2008 | - |
| | Tatjana Stream | 11 12 2013 | - |
| | Castle Trust and Management Services Limited | 09 03 2007 | 08 09 2011 |
| | First Management Limited | 09 03 2007 | 08 09 2011 |
| | Tatjana Stream | 27 03 2007 | 30 06 2008 |
| | Graham Lucking | 27 03 2007 | 30 06 2008 |
| | Paul Goodrow | 15 09 2005 | 12 10 2006 |
| | Peter Lawrence | 22 08 2005 | 30 06 2008 |
| | George Shannon | 22 08 2005 | 30 06 2008 |
| | Bernard Rolfe | 22 08 2005 | 28 08 2007 |
| | James Watkin | 22 08 2005 | 28 10 2006 |
| | Hanover Directors Limited | 02 03 2005 | 22 08 2005 |
| | | <u>Appointed</u> | <u>Resigned</u> |
| Secretary | Angela Donnelly | 28 02 2014 | - |
| | Ian White | 15 10 2008 | 27 02 2014 |
| | Tatjana Stream | 30 06 2008 | 15 10 2008 |
| | George Shannon | 22 08 2005 | 30 06 2008 |
| | HCS Secretarial Limited | 02 03 2005 | 22 08 2005 |

| | |
|--|---|
| Allotted Issued & Fully Paid Share Capital | 500,000 Ordinary shares of £1 each |
| Shareholders | Wellman Thermal Systems Ltd – 500,000 Ordinary Shares |
| Joint Administrators Name | Anthony Hyams (IP No 9413) and Lloyd Edward Hinton (IP No 9516) of Insolve Plus Ltd, 4th Floor Allan House, 10 John Princes Street, London W1G 0AH |
| Date of Appointment | 7 August 2014 |
| Court Details | High Court of Justice, Chancery Division, Companies Court, The Rolls Building, 7 Rolls Building, Fetter Lane, London EC4A 1NL |
| Court Reference | 5605 of 2014 |
| Appointer | WTD Limited, a holder of a Qualifying Floating Charge of PO Box 56202, 3305 Lemesos, Cyprus |
| Mortgages and Charges Registered | Barclays Bank Plc – Debenture created on 30 September 2005 and delivered on 7 October 2005 This charge was satisfied on 4 March 2014 WTD Limited – Debenture created on 27 February 2014 and delivered on 7 March 2014 |
| Date of last accounts | 31 03 2013 (Dormant) |
| Date of last annual Return | 27 02 2014 |

Wellman Boiler Hire Limited
(In Administration)
Joint Administrators' Trading Account

| Statement of Affairs | From 26/12/2015 To 25/06/2016 | From 07/08/2014 To 25/06/2016 |
|----------------------------------|----------------------------------|----------------------------------|
| POST APPOINTMENT SALES | | |
| Sales | NIL | 40,124 00 |
| Trading Loans | NIL | 956 77 |
| | NIL | 41,080 77 |
| TRADING EXPENDITURE | | |
| Travel | NIL | 814 30 |
| Bank Charges | NIL | NIL |
| Management Charges | NIL | 2,840 92 |
| Suppliers | NIL | 3,515 76 |
| | NIL | (7,170 98) |
| TRADING SURPLUS/(DEFICIT) | NIL | 33,909 79 |

Wellman Boiler Hire Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

| Statement of Affairs | From 26/12/2015 To 25/06/2016 | From 07/08/2014 To 25/06/2016 |
|--|----------------------------------|----------------------------------|
| SECURED ASSETS | | |
| Business IPR & Goodwill | NIL | 25,000 00 |
| Contribution Towards Legal Fees | NIL | 833 33 |
| | NIL | 25,833 33 |
| COSTS OF REALISATION | | |
| Legal Fees | NIL | 833 33 |
| Agents/Valuers Fees | NIL | 2,500 50 |
| | NIL | (3,333 83) |
| SECURED CREDITORS | | |
| (1,510,000 00) WTD Limited | NIL | 22,499 50 |
| | NIL | (22,499 50) |
| ASSET REALISATIONS | | |
| Contribution Towards Legal Fees | NIL | 4,166 67 |
| 600,000 00 Hire Fleet, Business Assets & Machine | NIL | 88,499 89 |
| 68,500 00 Book Debts | NIL | 55,643 47 |
| 2,300 00 Cash at Bank | NIL | NIL |
| Refund of Bank Charges | 8 34 | 8 34 |
| Bank Interest Gross | 94 46 | 257 91 |
| Trading Surplus/(Deficit) | NIL | 33,909 79 |
| Compensation | NIL | 80,000 00 |
| | 102 80 | 262,486 07 |
| COST OF REALISATIONS | | |
| Specific Bond | NIL | 216 00 |
| Office Holders Fees | NIL | 30,000 00 |
| Agents/Valuers Fees | NIL | 12,499 50 |
| Legal Fees | 12,981 10 | 23,471 77 |
| Corporation Tax | 16 60 | 16 60 |
| Travel/Couriers | NIL | 379 00 |
| Statutory Advertising | NIL | 75 12 |
| Bank Charges | NIL | 274 50 |
| Subsistence | NIL | 16 26 |
| | (12,997 70) | (66,948 75) |
| FLOATING CHARGE CREDITORS | | |
| WTD Limited | NIL | 131,000 39 |
| | NIL | (131,000 39) |
| UNSECURED CREDITORS | | |
| (6,500 00) Trade & Expense Creditors | NIL | NIL |
| (38,162 00) H M Revenue & Customs - VAT | NIL | NIL |
| (625,000 00) Wellman Thermal Services Limited | NIL | NIL |
| | NIL | NIL |
| DISTRIBUTIONS | | |
| (500,000 00) Ordinary Shareholders | NIL | NIL |
| | NIL | NIL |
| (2,008,862.00) | (12,894 90) | 64,536.93 |

REPRESENTED BY

W031T

Wellman Boiler Hire Limited

SIP 9 - Time & Cost Summary

Period 26/12/15 25/06/16

Time Summary

| Hours | | | | | | Time Cost (£) | Average hourly rate (£) |
|-------------------------------------|---------|---------|----------------------------|----------------------------|-------------|---------------|-------------------------|
| Classification of work function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | | |
| Administration & Planning | 0 80 | 0 00 | 1 90 | 1 40 | 4 10 | 1,011 00 | 246 59 |
| Annual Reporting | 0 70 | 0 00 | 0 00 | 0 00 | 0 70 | 346 50 | 495 00 |
| Statutory reporting | 0 00 | 4 70 | 1 50 | 0 00 | 6 20 | 2,020 00 | 325 81 |
| Post appointment Corporation Tax | 0 00 | 0 00 | 0 00 | 0 80 | 0 80 | 100 00 | 125 00 |
| Statutory Returns to Registrar of C | 0 00 | 0 20 | 0 00 | 0 00 | 0 20 | 70 00 | 350 00 |
| Bank Reconciliation | 0 00 | 0 00 | 0 00 | 0 50 | 0 50 | 62 50 | 125 00 |
| Bonding | 0 00 | 0 00 | 0 20 | 0 00 | 0 20 | 50 00 | 250 00 |
| Administration & planning | 1 50 | 4 90 | 3 60 | 2 70 | 12 70 | 3,660 00 | 288 19 |
| Realisation of assets | 0 00 | 0 00 | 0 10 | 0 00 | 0 10 | 25 00 | 250 00 |
| Realisations of assets | 0 00 | 0 00 | 0 10 | 0 00 | 0 10 | 25 00 | 250 00 |
| Trading | 0 10 | 0 00 | 0 00 | 0 00 | 0 10 | 49 50 | 495 00 |
| Trading | 0 10 | 0 00 | 0 00 | 0 00 | 0 10 | 49 50 | 495 00 |
| Creditors | 0 00 | 0 00 | 0 60 | 0 00 | 0 60 | 150 00 | 250 00 |
| Creditors | 0 00 | 0 00 | 0 60 | 0 00 | 0 60 | 150 00 | 250 00 |
| Total Hours | 1 60 | 4 90 | 4 30 | 2 70 | 13 50 | 3,884 50 | 287 74 |
| | | | | | | | |

W031T

Wellman Boiler Hire Limited

SIP 9 - Time & Cost Summary

Period 07/08/14 25/06/16

Time Summary

| Hours | | | | | | Time Cost (£) | Average hourly rate (£) |
|-------------------------------------|---------|---------|----------------------------|----------------------------|-------------|---------------|-------------------------|
| Classification of work function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | | |
| Administration & Planning | 8 30 | 21 70 | 13 20 | 17 40 | 60 60 | 16,953 50 | 279 76 |
| Annual Reporting | 0 70 | 0 00 | 0 00 | 0 00 | 0 70 | 346 50 | 495 00 |
| Statutory reporting | 2 20 | 19 70 | 10 10 | 0 00 | 32 00 | 10,509 00 | 328 41 |
| Application for Bordeau | 0 00 | 0 60 | 0 00 | 0 00 | 0 60 | 210 00 | 350 00 |
| Billing | 0 00 | 0 30 | 0 00 | 0 40 | 0 70 | 155 00 | 221 43 |
| Case Review | 0 30 | 0 00 | 0 00 | 0 00 | 0 30 | 148 50 | 495 00 |
| Correspondence with Court | 0 00 | 0 20 | 0 00 | 0 00 | 0 20 | 70 00 | 350 00 |
| Correspondence with Directors | 0 00 | 1 00 | 0 20 | 0 00 | 1 20 | 400 00 | 333 33 |
| Correspondence with Insurance Br | 0 00 | 0 40 | 0 00 | 0 00 | 0 40 | 140 00 | 350 00 |
| Diary Updating | 0 00 | 0 50 | 0 20 | 0 00 | 0 70 | 225 00 | 321 43 |
| Instructing Agents | 0 50 | 0 00 | 0 20 | 0 00 | 0 70 | 297 50 | 425 00 |
| Insurance - general | 0 10 | 0 30 | 0 00 | 0 00 | 0 40 | 154 50 | 386 25 |
| Meeting with Lawyer | 0 00 | 1 00 | 0 00 | 0 00 | 1 00 | 350 00 | 350 00 |
| Post appointment Corporation Tax | 0 00 | 0 00 | 0 00 | 0 80 | 0 80 | 100 00 | 125 00 |
| Post appointment VAT Returns | 0 10 | 7 60 | 0 00 | 0 00 | 7 70 | 2,709 50 | 351 88 |
| Review of Bordeau level | 0 00 | 0 40 | 0 00 | 0 00 | 0 40 | 140 00 | 350 00 |
| Specific Bond Insurance | 0 00 | 1 30 | 0 00 | 0 00 | 1 30 | 455 00 | 350 00 |
| Statutory Advertisement | 0 10 | 0 00 | 0 00 | 0 00 | 0 10 | 49 50 | 495 00 |
| Statutory Filing | 0 10 | 0 20 | 0 00 | 0 00 | 0 30 | 119 50 | 398 33 |
| Statutory Returns to Court | 0 00 | 0 00 | 0 20 | 0 00 | 0 20 | 50 00 | 250 00 |
| Statutory Returns to Registrar of C | 0 00 | 0 60 | 0 20 | 0 00 | 0 80 | 260 00 | 325 00 |
| Bank Reconciliation | 0 00 | 0 00 | 0 00 | 2 20 | 2 20 | 275 00 | 125 00 |
| Banking | 0 10 | 0 00 | 0 00 | 0 00 | 0 10 | 49 50 | 495 00 |
| Bonding | 0 10 | 0 00 | 0 70 | 0 00 | 0 80 | 224 50 | 280 63 |
| Administration & planning | 12 60 | 55 80 | 25 00 | 20 80 | 114 20 | 34,392 00 | 301 16 |
| Investigation | 1 70 | 0 30 | 0 00 | 0 00 | 2 00 | 946 50 | 473 25 |
| CDDA reports | 0 00 | 3 80 | 0 10 | 0 00 | 3 90 | 1,355 00 | 347 44 |
| Conversation with Disqualification | 0 00 | 0 10 | 0 00 | 0 00 | 0 10 | 35 00 | 350 00 |
| Correspondence with DTI | 0 00 | 0 60 | 0 00 | 0 00 | 0 60 | 210 00 | 350 00 |
| Meeting with Director | 0 00 | 0 90 | 0 00 | 0 00 | 0 90 | 315 00 | 350 00 |
| Investigations | 1 70 | 5 70 | 0 10 | 0 00 | 7 50 | 2,861 50 | 381 53 |
| Realisation of assets | 7 80 | 3 60 | 0 60 | 0 00 | 12 00 | 5,271 00 | 439 25 |
| ROT Claims | 1 00 | 0 00 | 0 00 | 0 00 | 1 00 | 495 00 | 495 00 |
| Debt collection | 0 10 | 6 10 | 0 00 | 0 00 | 6 20 | 2,184 50 | 352 34 |
| Sale of business | 4 00 | 0 00 | 0 00 | 0 00 | 4 00 | 1,980 00 | 495 00 |
| Asset realisation review | 0 10 | 0 00 | 0 00 | 0 00 | 0 10 | 49 50 | 495 00 |
| Conversation with Agents | 0 00 | 0 20 | 0 00 | 0 00 | 0 20 | 70 00 | 350 00 |
| Conversation with Lawyer | 0 00 | 1 30 | 0 00 | 0 00 | 1 30 | 455 00 | 350 00 |
| Correspondence with Agent | 0 00 | 0 10 | 0 00 | 0 00 | 0 10 | 35 00 | 350 00 |
| Correspondence with Bank | 0 00 | 1 10 | 0 00 | 0 00 | 1 10 | 385 00 | 350 00 |
| Correspondence with Lawyer | 0 00 | 1 90 | 0 00 | 0 00 | 1 90 | 665 00 | 350 00 |
| Discussions re business marketin | 0 20 | 0 00 | 0 00 | 0 00 | 0 20 | 99 00 | 495 00 |
| Discussions with interested parties | 1 40 | 0 00 | 0 00 | 0 00 | 1 40 | 693 00 | 495 00 |
| Insurance Claim | 0 20 | 0 00 | 0 00 | 0 00 | 0 20 | 99 00 | 495 00 |
| Meeting with Agent | 0 00 | 0 50 | 0 50 | 0 00 | 1 00 | 300 00 | 300 00 |

| | | | | | | | |
|---------------------------------------|-------|--------|-------|-------|--------|-----------|--------|
| Realisations of assets | 14 80 | 14 80 | 1 10 | 0 00 | 30 70 | 12,781 00 | 416 32 |
| Trading | 9 30 | 1 30 | 4 30 | 0 00 | 14 90 | 6,133 50 | 411 64 |
| Accounting for trading | 1 80 | 17 00 | 1 30 | 0 00 | 20 10 | 7,166 00 | 356 52 |
| Correspondence with Supplier | 0 00 | 0 10 | 0 00 | 0 00 | 0 10 | 35 00 | 350 00 |
| Trading closure issues | 1 40 | 0 00 | 0 00 | 0 00 | 1 40 | 693 00 | 495 00 |
| Trading - Cashbook updating | 0 60 | 0 00 | 0 40 | 0 00 | 1 00 | 397 00 | 397 00 |
| Dealing with retention of title claim | 0 50 | 0 00 | 0 00 | 0 00 | 0 50 | 247 50 | 495 00 |
| Discussion Re Purchasing Decis | 0 20 | 0 10 | 0 10 | 0 00 | 0 40 | 159 00 | 397 50 |
| Discussions Re Trading Decision | 0 00 | 0 80 | 0 60 | 0 00 | 1 40 | 430 00 | 307 14 |
| Discussions with suppliers | 0 00 | 0 20 | 0 00 | 0 00 | 0 20 | 70 00 | 350 00 |
| Travelling time | 11 80 | 9 00 | 1 00 | 0 00 | 21 80 | 9,241 00 | 423 90 |
| Trading | 25 60 | 28 50 | 7 70 | 0 00 | 61 80 | 24,572 00 | 397 61 |
| Creditors | 0 50 | 0 00 | 2 60 | 0 20 | 3 30 | 912 50 | 276 52 |
| Correspondence with Charge Hold | 0 00 | 0 50 | 0 00 | 0 00 | 0 50 | 175 00 | 350 00 |
| Correspondence with HMRC | 0 00 | 0 00 | 0 10 | 0 00 | 0 10 | 25 00 | 250 00 |
| Creditor correspondence | 0 00 | 1 90 | 0 30 | 0 00 | 2 20 | 740 00 | 336 36 |
| Discussions with employees | 0 20 | 0 00 | 0 00 | 0 00 | 0 20 | 99 00 | 495 00 |
| Employment Rights Act (1996), cl | 0 20 | 0 00 | 0 20 | 0 00 | 0 40 | 149 00 | 372 50 |
| Meeting with Debenture Holder | 2 30 | 0 00 | 0 00 | 0 00 | 2 30 | 1,138 50 | 495 00 |
| Reporting to employees | 0 10 | 0 00 | 0 00 | 0 00 | 0 10 | 49 50 | 495 00 |
| Administrators Proposal - Creditor | 0 00 | 1 90 | 0 00 | 0 00 | 1 90 | 665 00 | 350 00 |
| Creditors | 3 30 | 4 30 | 3 20 | 0 20 | 11 00 | 3,953 50 | 359 41 |
| Total Hours | 58 00 | 109 10 | 37 10 | 21 00 | 225 20 | 78,560 00 | 348 85 |
| | | | | | | | |

Rule 2.48A Creditors' request for further information

- (1) If—
 - (a) within 21 days of receipt of a progress report under Rule 2.47—
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor, makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2.47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either—
 - (a) providing all of the information asked for, or
 - (b) so far as the administrator considers that—
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—
 - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2.109(1B) by such further period as the court thinks just "

Rule 2.109 Creditors' claims that remuneration is [or other expenses] are excessive

[(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that—

- (a) the remuneration charged by the administrator,
 - (b) the basis fixed for the administrator's remuneration under Rule 2.106, or
 - (c) expenses incurred by the administrator,
- is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")]

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least [5 business] days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

(3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

[(4) If the court considers the application to be well-founded, it must make one or more of the following orders –

- (a) an order reducing the amount of remuneration which the administrator was entitled to charge,
 - (b) an order fixing the basis of remuneration at a reduced rate or amount,
 - (c) an order changing the basis of remuneration,
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration,
 - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,
- and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration]