

## The Insolvency Act 1986

**Statement of administrator's proposals**

|   |                                   |
|---|-----------------------------------|
| Name of Company<br>AAP Mechanical & Marine Services Limited | Company number<br>06504945        |
| In the Newcastle upon Tyne District Registry                | Court case number<br>2096 of 2009 |

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

We (a) G M Wild and S C E Mackellar  
Of Zolfo Cooper  
Wellington Plaza  
31 Wellington Street  
Leeds  
LS1 4DL

attach a copy of our proposals in respect of the administration of the above company.

\* Delete as applicable

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 10 August 2009

Signed   
Joint Administrator

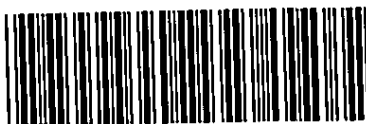
Dated \_\_\_\_\_

**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

|  |                   |
|--|-------------------|
| Donella Machen   |                   |
| Wellington Plaza, 31 Wellington Street, Leeds, LS1 4DL |                   |
|  | Tel 0113 386 0839 |
| DX Number  | DX Exchange       |

THURSDAY



PC3      \*P8AVOCDF\*      761  
13/08/2009  
COMPANIES HOUSE

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

# Joint Administrators' Report and Statement of Proposals

## AAP Mechanical & Marine Services Limited - In Administration

10 August 2009



**Zc** ZOLFO COOPER



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Appendix D

## 1 Statutory Information

- 1.1 The registered number of AAP Mechanical & Marine Services Limited (the Company) is 06504945.
- 1.2 The registered office of the Company has been changed from Unit 2, Bedesway, Bede Industrial Estate, Jarrow, Tyne & Wear, NE32 3EG to c/o Zolfo Cooper, Wellington Plaza, 31 Wellington Street, Leeds, LS1 4DL.
- 1.3 Details of the Company's Director and Secretary are as follows:

|                      | Date appointed | Date resigned | Shares held |
|----------------------|----------------|---------------|-------------|
| <b>Director</b>      |                |               |             |
| Paul Vincent Bradley | 18/03/2008     | -             | -           |
| <b>Secretary</b>     |                |               |             |
| Kevin Adams          | 18/03/2008     | 12/06/2009    | -           |

## 2 Background to the Administration

- 2.1 The Company was incorporated in February 2008, when the Director, Paul Bradley (PB) agreed to take over the employment contracts of 44 employees from A&P Tyne Limited (A&P) under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE), which concluded in May 2008.
- 2.2 The Company was created as a wholly owned subsidiary of AAP Bradley Limited (Bradley), which with AAP Design Manufacturing Services Limited (DMS) formed the Group (the Group). The Company employed the staff, whose wage costs would be recovered through workflow from A&P.
- 2.3 The terms of the agreement were:
- The Company would have preferred supplier status with A&P and be offered contracts for the supply of labour ahead of other suppliers; and
  - The wage costs of the transferred employees would be recovered from work awarded by A&P;
- 2.4 Approximately three months following the transfer, the workflow from A&P was insufficient to keep the Company's workforce utilised to cover their wages. PB was unable to find alternative work for the employees.
- 2.5 In late November / early December 2008, PB advised A&P that the Company was not a viable business due to the lack of work and that he would have to make the employees redundant, thereby calling on A&P to fund the costs of the redundancies, in accordance with the terms of their agreement.
- 2.6 In February 2009, the situation with the Company had not improved and PB again advised A&P that he intended to close the Company and make the employees redundant, with A&P to fund the costs of the redundancies.
- 2.7 A&P advised PB that they would transfer the employees back to A&P under a TUPE transfer, rather than make the employees redundant. In February 2009, the 44 employees were transferred back to A&P under a TUPE transfer and the Company ceased to trade shortly after.
- 2.8 Prior to the appointment, Zolfo Cooper conducted a detailed review of the Group's short term cash flow. This indicated that DMS would become unable to operate within its existing overdraft facility and that additional funds would be required to facilitate ongoing trading.
- 2.9 Due to the disputed debtor, outstanding overdraft and the inability to trade the Company since it had already ceased to trade, G M Wild and S C E Mackellar, licensed insolvency

practitioners, were appointed Joint Administrators of the Company by the Director on 29 June 2009. Both are licensed by the Insolvency Practitioners' Association (IPA).

- 2.10 The Administration is registered in the Newcastle upon Tyne District Registry, under reference number 2096 of 2009.
- 2.11 The EC Regulation on Insolvency Proceedings 2000 applies to the Administration. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.
- 2.12 The Joint Administrators act jointly and severally, so that all functions may be exercised by either Administrator.
- 2.13 The Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:
  - Rescuing the Company as a going concern; or
  - Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
  - Realising property in order to make a distribution to one or more secured or preferential creditors.

Further information on the pursuance of the above objectives is detailed in the next section.

### **3 Administration Strategy and Objective**

- 3.1 The first objective under the new Administration regime is based on the survival of the existing Company through a Company Voluntary Arrangement (CVA) or a Scheme of Arrangement under Section 425 of the Companies Act. This was not a viable option as the Company had ceased trading prior to appointment.
- 3.2 As the Joint Administrators were unable to achieve the first objective, the second objective of achieving a better result for the creditors as a whole than would be likely if the Company were wound up (without first being in Administration) was pursued.
- 3.3 The Company's records indicate that a book debt is due from A&P; however, the amount is disputed by them and the Joint Administrators' strategy has therefore been to obtain a legal review of the contracts with A&P.
- 3.4 Following appointment, the Joint Administrators contacted A&P to establish the basis of its dispute with the Company. Full details of their counter claim have been requested and the Joint Administrators currently await this information.
- 3.5 At this stage it is not proposed that an estimate of realisations from this source will be disclosed at this stage as it may prejudice current negotiations. Creditors will be advised of realisations in future reports.

### **4 Joint Administrators' Receipts and Payments**

- 4.1 Appendix A shows that there have been no receipts and payments to date.

### **5 Financial Position**

- 5.1 Attached as Appendix B is a summary of the Director's Estimated Statement of Affairs of the Company as at the date of the appointment of the Joint Administrators.

### **6 Proposals**

- 6.1 It is proposed that the Joint Administrators continue to manage the affairs of the Company in order to achieve the objective of the Administration. In the circumstances it is

proposed that the Joint Administrators continue to pursue the second objective as outlined above.

- 6.2 If having realised the assets of the Company, the Joint Administrators think that a distribution will be made to the unsecured creditors, they propose filing either a notice with the Registrar of Companies which will have the effect of bringing the appointment of the Administrators to an end and will move the Company automatically into Creditors' Voluntary Liquidation (CVL) in order that the distribution can be made. In these circumstances, it is proposed that the Joint Administrators will become the Joint Liquidators of the CVL. See Section 7 below on Exit Routes for further information on this process.
- 6.3 If the Joint Administrators think that the Company has no property which might permit a distribution to its creditors, they will file a notice with the Court and the Registrar of Companies for the dissolution of the Company. See Section 7 below on Exit Routes for further information on this process.
- 6.4 The Joint Administrators shall do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they consider desirable or expedient to achieve the statutory purpose of the Administration.
- 6.5 The creditors consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction the basis of the Joint Administrators' remuneration and any proposed act on the part of the Joint Administrators without the need to report back to a further meeting of creditors generally, to include any decision regarding the most appropriate exit route from the Administration.
- 6.6 Where no Creditors' Committee is appointed, the remuneration of the Joint Administrators shall be fixed by reference to time properly spent by them and their staff in managing the Administration.
- 6.7 The Joint Administrators be authorised to draw remuneration as and when funds are available on account of their time costs.
- 6.8 The Joint Administrators' will be discharged from liability under Paragraph 98 of Schedule B1 to the Act immediately upon their appointment as Administrators ceasing to have effect.

## **7 Exit Routes**

### ***Creditors Voluntary Liquidation***

- 7.1 If the Joint Administrators believe a dividend may be paid to the unsecured creditors, they will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation (CVL). It is proposed that the Joint Administrators will also become the Joint Liquidators of the CVL.
- 7.2 Creditors have the right to nominate an alternative liquidator of their choice. To do this, creditors must make their nomination in writing to the Administrators prior to these proposals being approved. Where this occurs, the Administrators will advise creditors and provide the opportunity to vote. In the absence of a nomination, the Joint Administrators will automatically become the Joint Liquidators of the subsequent CVL.

### ***Dissolution of the Company***

- 7.3 If the Joint Administrators think that the Company has no property which might permit a distribution to its creditors, they propose filing a notice together with their final progress report at Court and with the Registrar of Companies for the dissolution of the Company. They shall send copies of these documents to the Company and its creditors. The appointment will end following the registration of the notice by the Registrar of Companies.

## **8 Administrators' Remuneration**

- 8.1 The Joint Administrators' time costs at 6 August 2009 are £6,871. This represents 51 hours at an average rate of £135 per hour. A copy of "A Creditors' Guide to Administrators' fees" can be downloaded from Zolfo Cooper's website ([www.zolfocooper.eu](http://www.zolfocooper.eu) - see Creditors' Guides in the News Publications Events section). If you would prefer this to be sent to you in hard copy please contact us and we will forward a copy to you. We have also attached as Appendix C a Time Analysis which provides details of the activity costs incurred by staff grade to the above date. We propose drawing fees in accordance with the proposals outlined above.
- 8.2 Attached as Appendix D is additional information in relation to our policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

### ***Administration and Planning***

The time recorded here reflects the statutory duties of the Joint Administrators, including initial notification to creditors. In addition, it covers the time spent formulating the strategy of the Administration and internal meetings.

### ***Realisation of Assets - Debtors***

The time recorded here details the time spent dealing with debtors.

### ***Creditors***

Time recorded here has been incurred in ongoing correspondence with creditors, including telephone calls.

## **9 Estimated Outcome**

- 9.1 For the reasons highlighted in section 3.5 I do not propose to include an Estimated Outcome Statement at this stage.
- 9.2 DMS granted a fixed and floating charge to Barclays Bank plc (the Bank) on 20 April 2006 in respect of a commercial mortgage and overdraft facility; along with a cross guarantee incorporating Bradley and the Company.
- 9.3 At the date of appointment, the indebtedness to the Bank was £942,786, across the Group.
- 9.4 Based on the Director's Estimated Statement of Affairs attached to this report the estimated value of the preferential creditors is nil and the unsecured creditors is £287,979.
- 9.5 As the Bank's security post dates the introduction of the Enterprise Act 2002 on 15 September 2003, there is a requirement to set aside an "Unsecured Creditors Fund" as outlined in Section 176A (2) of the Act. The Joint Administrators have an obligation to ring fence a proportion of the floating charge realisations for unsecured creditors under S176A (2) of the Act. These funds are called the Prescribed Part.
- 9.6 The value of the estimated unsecured creditors fund will be reported at such time as the negotiations with A&P are concluded.

## **10 Next Report**

- 10.1 The Joint Administrators are required to provide a progress report within one month of the end of the first six months of the Administration.

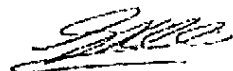
## **11 Meeting of Creditors**

- 11.1 In accordance with Paragraph 52(1) (b) of Schedule B1 of the Act, an initial meeting of the Company's creditors is not being convened because the Joint Administrators consider

there is insufficient property to enable a distribution to be made to unsecured creditors, other than via the Prescribed Part under S176A (2) of the Act.

- 11.2 The Joint Administrators are however obliged to hold an initial creditors' meeting if 10% in value of the creditors request it. If you wish for a meeting to be held, you must notify the Joint Administrators in writing in the prescribed form on or before 27 August 2009.

For and on behalf of  
AAP Mechanical & Marine Services Limited



G M Wild  
Joint Administrator

Enc

**Receipts and Payments Account for the period from 29 June 2009 to 7 August 2009**

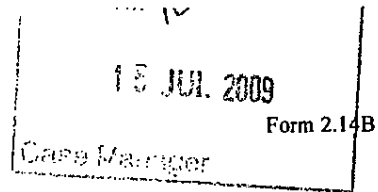
**Appendix A**

There have been no Receipts or Payments to date.

**Summary of the Director's Estimated Statement of Affairs as at 29  
June 2009**

**Appendix B**

Rule 2.29



## Statement of affairs

|   |                                   |
|---|-----------------------------------|
| Name of Company<br>AAP Mechanical & Marine Services Limited | Company number<br>06504945        |
| In the Newcastle Upon Tyne District Registry                | Court case number<br>2096 of 2009 |

(a) Insert name and address of registered office of the company

Statement as to the affairs of (a) AAP Mechanical & Marine Services Limited, Unit 2, Bedesway, Bede Trading Estate, Jarrow, Tyne and Wear, NE32 3EG

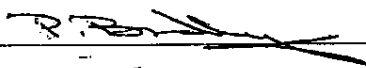
(b) Insert date

on the (b) 29 June 2009, the date that the company entered administration.

### Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 29 June 2009 the date that the company entered administration.

Full name PAUL VINCENT BRADLEY

Signed 

Dated 14-7-09

## Assets

**Assets subject to floating charge:**

Uncharged assets:

PLANT AND MACHINERY  
TRADE DEBTORS

**Estimated total assets available for preferential creditors**

| Book Value<br>£ | Estimated to Realise<br>£ |
|-----------------|---------------------------|
| 8328            | NIL                       |
| 226,733         | 50,000                    |
| 235,061         | 50,000                    |

Signature [Signature] Date 8-14-7-00

Signature [Signature] Date 114-7-00

## A1 – Summary of Liabilities

|  |             | Estimated<br>to realise<br>£ |
|--|-------------|------------------------------|
| <b>Estimated total assets available for preferential creditors (carried from page A)</b>                                       | £           | 50,000                       |
| <b>Liabilities</b>   |             |                              |
| Preferential creditors:-   |             |                              |
| <b>Estimated deficiency/surplus as regards preferential creditors</b>  | £           | 50,000                       |
| Estimated prescribed part of net property where applicable (to carry forward)  | £           |                              |
| <b>Estimated total assets available for floating charge holders</b>  | £           | 50,000                       |
| Debts secured by floating charges  | £<br>82768  |                              |
| <b>Estimated deficiency/surplus of assets after floating charges</b>   | £           | (32768)                      |
| Estimated prescribed part of net property where applicable (brought down)  | £           |                              |
| <b>Total assets available to unsecured creditors</b>   | £           | (32768)                      |
| Unsecured non-preferential claims (excluding any shortfall to floating charge holders)   | £<br>287979 |                              |
| <b>Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)</b> | £           | (320,741)                    |
| Shortfall to floating charge holders (brought down)  | £           |                              |
| <b>Estimated deficiency/surplus as regards creditors</b>   | £           | (320,741)                    |
| Issued and called up capital   | £<br>100    |                              |
| <b>Estimated total deficiency/surplus as regards members</b>   | £           | (320,841)                    |

Signature



Date

14-7-09

## COMPANY CREDITORS

**Note:** You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession.

| Name of creditor or Claimant | Address (with postcode)                                | Amount of debt £ | Details of any security held by creditor    | Date security given | Value of security £ |
|------------------------------|--|------------------|---|---------------------|---------------------|
| TRADE CREDITORS              | AS PER ATTACHED SCHEDULE                               | 37,268           |   |                     |                     |
| HM REVENUE & CUSTOMS         | PORTCULLIS HOUSE, 21 CONNORIDGE RD<br>CARDIFF CF11 9SS | 210,007          | PAYE REF 405 P165369<br>VAT NO. 930 768116. |                     |                     |
| MISCELLANEOUS                | INTER COMPANY LOANS                                    | 40,704           |   |                     |                     |
|                              |  |                  |   |                     |                     |
|                              |  |                  |   |                     |                     |
|                              |  |                  |   |                     |                     |
|                              |  |                  |   |                     |                     |
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|                              |  |                  |   |                     |                     |
|                              |  |                  |   |                     |                     |
|                              |  |                  |   |                     |                     |
|                              |  | 287,979          |   |                     |                     |

Signature  Date 14-7-00

Date: 14/07/2009  
Time: 12:13:10

**A&P MECHANICAL AND MARINE SERVICES LTD**

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**Supplier Address List**

Supplier From:  
Supplier To:

ZZZZZZZZ

| <u>A/C</u> | <u>Name</u>  | <u>Contact</u> | <u>Telephone</u> | <u>Balance</u> |
|------------|--|----------------|------------------|----------------|
| A0003      | A&P Tyne Limited<br>Wagonway Road<br>Hebburn<br>NE31 1SP   |                |                  | 937.4          |
| A001       | AAP METAL FABRICATION SERVICES<br>2 BEDESWAY<br>BEDE INDUSTRIAL ESTATE<br>JARROW<br>TYNE AND WEAR<br>NE32 3EG          |                | 0191 4897777     | 4315.2         |
| A002       | ALEXANDER BLAST CLEANING & PAINT<br>Unit 11<br>Wagonway Road<br>Hebburn<br>Tyne and Wear<br>NE31 1SP                   | Alan or Denise | 0191 4281998     | 0.0            |
| A003       | AALCO (NEWCASTLE)<br>FIRST AVENUE<br>TEAM VALLEY TRADING ESTATE<br>GATESHEAD<br>TYNE AND WEAR<br>NE11 0NU              | CARL IN SALES  | 0191 491 1133    | 0.0            |
| A004       | ARNDALE<br>WESTERN APPROACH<br>SOUTH SHIELDS<br>TYNE AND WEAR<br>NE33 5NN  |                | 0191 455 6086    | 0.0            |
| A005       | A&P TEES LTD<br>TEESPORT COMMERCE PARK<br>DOCKSIDE ROAD<br>MIDDLESBROUGH<br>CLEVELAND<br>TS6 6UZ                       |                | 01642 464024     | 0.0            |
| B001       | BRABNER DEVELOPMENTS   |                |                  | 0.0            |
| B002       | BAY PLASTICS LTD<br>UNIT 1 HIGHT FLATWORTH<br>TYNE TUNNEL TRADING ESTATE<br>NORTH SHIELDS<br>TYNE AND WEAR<br>NE29 7UZ |                | 01912580777      | 0.0            |
| B003       | BOXER CHEMICALS LTD<br>UNIT 8 THE COURTYARD<br>84 WORSLEY ROAD<br>WINTON<br>ECCLES<br>M30 8LS                          | DAVE STOBBS    | 0161 789 6543    | 425.0          |
| B004       | BRITANNIA OFFICE SYSTEMS<br>BRITANNIA HOUSE<br>FRONT STREET<br>MONKSEATON<br>TYNE & WEAR<br>NE25 8AQ                   |                | 0191 291 2222    | 215.0          |

Date: 14/07/2009

**AP MECHANICAL AND MARINE SERVICES LTD**

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Time: 12:13:10

**Supplier Address List**

| <u>A/C</u> | <u>Name</u>  | <u>Contact</u> | <u>Telephone</u>   | <u>Balance</u> |
|------------|--|----------------|--------------------|----------------|
| B005       | BSS NEWCASTLE<br>SANDERSON STREET<br>OFF SCOTSWOOD ROAD<br>NEWCASTLE<br>TYNE AND WEAR<br>NE4 7PJ     | DAVE STOVES    | 0191 2565100       | 0.0            |
| B006       | BOC<br>VIGO LANE<br>CHESTER LE STREET<br>COUNTY DURHAM<br>DH3 2RD                                    |                | 0191 410 3141      | 242.5          |
| B007       | BELLS<br>WAGONWAY ROAD<br>HEBBURN<br>TYNE AND WEAR<br>NE31 1SP                                       |                | 0191 428 0700      | 0.0            |
| B008       | BURNS ACCOUNTING SERVICES LTD  |                |                    | 0.0            |
| C001       | COASTLINE OFFICE FURNITURE<br>6 HIGHBURY<br>MONKSEATON<br>WHITLEY BAY<br>TYNE AND WEAR<br>NE25 8EF   |                | 0191 2373773       | 0.0            |
| C002       | CONSETT STEEL SERVICES LTD<br>BRADLEY IND EST<br>LEADGATE<br>CONSETT<br>CO DURHAM<br>DH8 6HG         | BILL CORE      | 01207 590171 SALES | 0.0            |
| C003       | COASTLINE OFFICE SUPPLIES LTD  |                |                    | 331.5          |
| C004       | COWIE'S ENGINEERING<br>56 ST. GEORGE'S ESTATE<br>HARRATON<br>WASHINGTON<br>TYNE AND WEAR<br>NE38 9AU | GORDON COWIE   | 0191 4160351       | 339.5          |
| D001       | D.E.S<br>UNIT 4B,<br>WESTWAY IND EST<br>THROCKEY<br>NEWCASTLE UPON TYNE<br>NE15 9EW                  |                | 0191 2291166       | 233.4          |
| D002       | DRY ICE SOLUTIONS<br>26 CASTLE CLOSE<br>STOCKTON ON TEES<br>TS19 0SL                                 | BOB POUND      | 01642 679 188      | 322.0          |

Date: 14/07/2009

**AP MECHANICAL AND MARINE SERVICES LTD**

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**Supplier Address List**

| <u>A/C</u> | <u>Name</u>   | <u>Contact</u>  | <u>Telephone</u> | <u>Balance</u> |
|------------|---|-----------------|------------------|----------------|
| E001       | ECONOMOS UK LTD<br>PATTINSON SOUTH IND EST<br>UNIT32, STIRLING CLOSE<br>WASHINGTON<br>TYNE & WEAR<br>NE38 3QD | MIKE HIRST      | 0191 417 1094    | 0.0            |
| G001       | GATESHEAD BEARINGS<br>1 STATION ROAD<br>BILL QUAY<br>GATESHEAD<br>TYNE AND WEAR<br>NE10 0UH                   | ALAN OR HEATHER | 0191 4386969     | 409.7          |
| G002       | GRIFFIN INFORMATION SYSTEM LTD<br>20 ST CHRISTOPHER WAY<br>PRIDE PARK<br>DERBY<br>DE24 8JY                    |                 | 01332 646600     | -5.0           |
| G003       | G.B.LUBRICANTS<br>ALBANY ROAD<br>GATESHEAD<br>TYNE & WEAR<br>NE8 3BP  | DENISE          | 0191 4904312     | 0.0            |
| H001       | HANCOCK TOOLS LTD<br>108 HIGH STREET EAST<br>WALLSEND<br>TYNE & WEAR<br>NE28 7RH                              | GEOFF           | 0191 262 6677    | 266.4          |
| H002       | HEALTHSHIELD<br>ELECTRA WAY<br>CREWE BUSINESS PARK<br>CREWE<br>CHESHIRE<br>CW1 6HS                            |                 | 01270 588555     | 1026.1         |
| H003       | HAYLEY GROUP<br>UNIT E, ENDEAVOUR COURT<br>HALL DENE WAY<br>SEAHAM GRANGE IND EST<br>COUNTY DURHAM<br>SR7 0HB | STEVE SCOTT     | 0191 523 8800    | 0.0            |
| H004       | Holme Dodsworth Metals Ltd<br>59-69 Heaton Park Road<br>Newcastle Upon Tyne<br>Newcastle upon Tyne<br>NE6 1SQ |                 | 0191 2659077     | 106.1          |
| I001       | INDICO LTD<br>UNIT 3 HUTTON STREET<br>BOLDON COLLIERY IND EST<br>BOLDON<br>TYNE AND WEAR<br>NE35 9LW          | IAN CHARLTON    | 0191 537 3344    | 520.2          |
| I002       | IMEREST<br>80 COLEMAN STREET<br>LONDON<br>EC2R 5BJ  | ALWYN           |                  | 0.0            |

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**P MECHANICAL AND MARINE SERVICES L**

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**Supplier Address List**

| <u>A/C</u> | <u>Name</u>  | <u>Contact</u>                 | <u>Telephone</u> | <u>Balance</u> |
|------------|--|--------------------------------|------------------|----------------|
| L001       | LIFT-RITE ENGINEERING SERVICES LTD<br>UNITS 11-12<br>POINT PLEASANT IND EST<br>WALLSEND<br>TYNE AND WEAR<br>NE28 6HA     | Ken McDonald or Gracine Robson | 0191 234 3366    | 3250.0         |
| M001       | MINSTER SAFETY TRAINING SERVICES<br>QUAY CORNER TRAINING CENTRE<br>CHURCH BANK<br>JARROW<br>TYNE AND WEAR<br>NE32 3HH    | LYNN BONE                      | 0191 4890212     | 352.0          |
| M002       | MARINE ENGINEERING PIPEWORKS LTD<br>LEECHMERE INDUSTRIAL ESTATE<br>GRANGETOWN<br>SUNDERLAND<br>TYNE AND WEAR<br>SR2 9TE  |                                | 0191 521 1941    | 150.0          |
| N001       | NORTHEAST TIME RECORDERS<br>Factory Road<br>Blaydon<br>Newcastle upon Tyne<br>Tyne & Wear<br>NE21 5RY                    |                                | 0191 414 4241    | 0.0            |
| N002       | NORTH EAST VALVES & ENGINEERING<br>UNIT 3, LEE CLOSE<br>PATTINSON NORTH IND EST<br>WASHINGTON<br>TYNE & WEAR<br>NE38 8QA | TIM OR KIM                     | 0191 415 0037    | 2316.0         |
| N003       | NEW ARC EQUIPMENT LTD<br>6 WINCOMBLEE ROAD<br>WALKER RIVERSIDE<br>NEWCASTLE<br>TYNE AND WEAR<br>NE6 3PF                  | ANN CLARK                      | 0191 295 0111    | 219.0          |
| O001       | OAK ENGINEERING CO LTD<br>UNIT 2<br>PRINCE CONSORT IND EST<br>HEBBURN<br>TYNE AND WEAR<br>NE31 1EH                       | RICHARD WOOD                   | 0191 483 7860    | 0.0            |
| O002       | O2   |                                |                  | 0.0            |
| O003       | OSBORNE MOTOR TRANSPORT<br>COMMERCIAL ROAD<br>SOUTH SHIELDS<br>TYNE AND WEAR<br>NE33 1RQ                                 |                                | 0191 455 9911    | 0.0            |
| P001       | PARKER PIPES, FLANGES & FITTINGS<br>FISHER STREET<br>WALKER<br>NEWCASTLE UPON TYNE<br>NE6 4LT                            | DAVE, JASON - diane accounts   | 0191262 0004     | 14924.0        |

Date: 14/07/2009  
Time: 12:13:10

**P MECHANICAL AND MARINE SERVICES L**

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**Supplier Address List**

| <u>A/C</u> | <u>Name</u>  | <u>Contact</u>   | <u>Telephone</u> | <u>Balan</u> |
|------------|--|------------------|------------------|--------------|
| R001       | RS COMPONENTS<br>PO BOX 99<br>CORBY<br>NORTHANTS<br>NN17 9RS   |                  | 08457 201 201    | 253.1        |
| S001       | SEATON SPRINGS<br>The Waterworks<br>Seaton<br>Seaham<br>Durham<br>SR70NF   |                  | 0191 5131234     | 166.1        |
| S002       | SUNLIGHT SERVICES GRP<br>NEWCASTLE ROAD<br>NEVILLES CROSS<br>NEVILLES CROSS ROAD<br>DURHAM   |                  | 0191 3869030     | 0.1          |
| S003       | SAFETY & INDUSTRIAL SUPPLIES<br>7 BLIND LANE<br>SILKSWORTH<br>SUNDERLAND<br>TYNE AND WEAR  | BILL             | 0191 523 7907    | 0.1          |
| S004       | SMITH BROS PRINTERS & STATIONERS<br>44 GLEN STREET<br>HEBBURN<br>TYNE AND WEAR<br>NE31 1NU   | GLENN PATERSON   | 0191 4832138     | 726.1        |
| S005       | SHIMMER TELECOM LTD<br>QUAYSIDE BUSINESS CENTRE<br>OUSEBURN BUILDING<br>ALBION ROW<br>NEWCASTLE UPON TYNE<br>NE6 1LL                 |                  | 0845 4500658     | 321.1        |
| S006       | SERCK SERVICES<br>LANCASTER ROAD<br>DUNSTON IND EST, DUNSTON<br>GATESHEAD<br>TYNE AND WEAR<br>NE11 9JR                               | PATRICK SCRIMGER | 0191 4611233     | 3392.1       |
| S007       | SPEEDY HIRE (SCOTLAND)   |                  |                  | 209.1        |
| T001       | TECHFORCE<br>Tedco Business Works<br>South Shields<br>Tyne & wear<br>NE33 1RF  | David Prince     | 0845 2701014     | 479.1        |
| T002       | THOMSON BROS ( NEWCASTLE ) LTD<br>MYLORD CRESCENT<br>CAMPERDOWN INDUSTRIAL ESTATE<br>KILLINGWORTH<br>NEWCASTLE UPON TYNE<br>NE12 5UJ |                  | 0191 216 0397    | 817.1        |

Date: 14/07/2009  
Time: 12:13:10

**P MECHANICAL AND MARINE SERVICES L**

Page: 6

**Supplier Address List**

| <u>A/C</u> | <u>Name</u>  | <u>Contact</u> | <u>Telephone</u> | <u>Balan</u> |
|------------|--|----------------|------------------|--------------|
| T003       | T.F. JACKSON<br>Harpur Hill Industrial Park<br>Harpur Hill<br>Buxton<br>Derbyshire<br>SK19 9JL | TOM JACKSON    | 01298 79753      | 0.0          |
| Z001       | A MURRAY EXPENSES  |                |                  | 0.0          |

37268.1

# COMPANY SHAREHOLDERS

| Name of Shareholder | Address (with postcode)                                   | No. of shares held | Nominal Value | Details of Shares held |
|---------------------|---|--------------------|---------------|------------------------|
| AAP BRADLEY LTD     | 2 BEDFORD WAY, BEDE INDUSTRIAL ESTATE<br>JARLOW NE33 3EG. | 100                | £100          | £1 ordinary shares     |
|                     |   |                    |               |                        |
|                     |   |                    |               |                        |
|                     |   |                    |               |                        |
|                     |   |                    |               |                        |
|                     |   |                    |               |                        |
|                     |   |                    |               |                        |
|                     |   |                    |               |                        |
|                     |   |                    |               |                        |
| TOTALS              |   | 100                | £100          |                        |

Signature  Date 14-7-002

## Time Analysis for the period from 29 June 2009 to 6 August 2009

## Appendix C

## Fee Matrix for the Period 29 June 2009 to 6 August 2009

|                                 | Employee Grade       |                     |                       |                               |              | Total Time<br>Cost | Avg<br>RPH                         |
|---------------------------------|----------------------|---------------------|-----------------------|-------------------------------|--------------|--------------------|------------------------------------|
|                                 | (Hours)              |                     |                       |                               | Total Hours  |                    |                                    |
|                                 | Partner/<br>Director | Senior<br>Associate | Associate/<br>Analyst | Junior<br>Analyst/<br>Support |              |                    |                                    |
| Administration and Planning     | 0.20                 | 14.50               | 10.90                 | 2.30                          | 27.90        | 3,766.50           | 135                                |
| Realisation of Assets - Debtors | 1.90                 | 14.70               | 4.20                  | 0.00                          | 20.80        | 2,808.00           | 135                                |
| Creditors                       | 0.20                 | 0.00                | 2.00                  | 0.00                          | 2.20         | 297.00             | 135                                |
| <b>Total hours</b>              | <b>2.30</b>          | <b>29.20</b>        | <b>17.10</b>          | <b>2.30</b>                   | <b>50.90</b> |                    |                                    |
| <b>Total Cost</b>               | <b>£6,871.50</b>     |                     |                       |                               |              | <b>6,871.50</b>    | <b>135</b>                         |
|                                 |                      |                     |                       |                               |              | <b>Total cost</b>  | <b>Average<br/>hourly<br/>rate</b> |

**Additional information in relation to Administrators' fees pursuant to Statement of Insolvency Practice 9**

**Appendix D**

**1 Policy**

Detailed below is Zolfo Cooper's policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

**3.6 Staff Allocation and the use of Sub-contractors**

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Senior Associate, an Associate and an Analyst. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. Our charge out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, eg, report compilation and distribution, do we seek to charge and recover our time in this regard.

We have not utilised the services of any sub-contractors in this case.

**3.7 Professional Advisors**

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

| Name of Professional Advisor | Basis of Fee Arrangement      |
|------------------------------|-------------------------------|
| Eversheds LLP (legal advice) | Hourly rate and disbursements |

Our choice 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.

**3.8 Disbursements**

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require prior approval by creditors before they are paid and whilst it is unlikely that any Category 2 disbursements will be incurred on the case, appropriate approval will be sought before any such expenses are paid.

## 2 Charge-out Rates

A schedule of Zolfo Cooper charge-out rates for this assignment effective from 1 January 2009 is detailed below.

|  | (Per hour) £ |
|--|--------------|
| <b>Partner/Director:</b>   |              |
| Partner 1*   | 135          |
| Partner 2*   | 135          |
| Director   | 135          |
| <b>Senior Associate:</b>   |              |
| Senior Associate 1*  | 135          |
| Senior Associate 2*  | 135          |
| <b>Associate/Analyst:</b>  |              |
| Associate  | 135          |
| Analyst*   | 135          |
| <b>Junior Analyst and Support Staff:</b>   |              |
| Junior Analyst*  | 135          |
| Senior Treasury Associate  | 135          |
| Treasury Associate   | 135          |
| Treasury Analyst   | 135          |
| Support  | 135          |
| *Key   |              |
| Partner 1 - Partners with 3 or more years experience at partner level            |              |
| Partner 2 - Partners with less than 3 years experience at partner level          |              |
| Senior Associate 1 - Staff who have been Senior Associates for over 2 years      |              |
| Senior Associate 2 - Staff who have been Senior Associates for less than 2 years |              |
| Analyst - Staff who have been Analysts for more than 1 year                      |              |
| Junior Analyst - First year Analysts   |              |

Time Analysis for the period from 29 June 2009 to 7 August 2009

Appendix C

Fee Matrix for the Period 29 June 2009 to 7 August 2009

|                                 | Employee Grade   |                  |                   |                                   |                    | <u>Total Time</u> | <u>Avg</u>                 |
|---------------------------------|------------------|------------------|-------------------|-----------------------------------|--------------------|-------------------|----------------------------|
|                                 | (Hours)          |                  |                   |                                   |                    |                   |                            |
|                                 | <u>Partner/</u>  | <u>Senior</u>    | <u>Associate/</u> | <u>Junior</u>                     | <u>Total Hours</u> |                   |                            |
|                                 | <u>Director</u>  | <u>Associate</u> | <u>Analyst</u>    | <u>Analyst/</u><br><u>Support</u> |                    | <u>Cost</u>       | <u>RPH</u>                 |
| Administration and Planning     | 0.20             | 14.50            | 10.90             | 2.30                              | 27.90              | 3,766.50          | 135                        |
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| <b>Total Cost</b>               | <b>£6,871.50</b> |                  |                   |                                   |                    | <b>6,871.50</b>   | <b>135</b>                 |
|                                 |                  |                  |                   |                                   |                    | <b>Total cost</b> | <b>Average hourly rate</b> |

## Additional information in relation to Administrators' fees pursuant to Statement of Insolvency Practice 9

## Appendix D

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- disbursements.

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| Director   | 135          |
| <b>Senior Associate:</b>   |              |
| Senior Associate 1*  | 135          |
| Senior Associate 2*  | 135          |
| <b>Associate/Analyst:</b>  |              |
| Associate  | 135          |
| Analyst*   | 135          |
| <b>Junior Analyst and Support Staff:</b>   |              |
| Junior Analyst*  | 135          |
| Senior Treasury Associate  | 135          |
| Treasury Associate   | 135          |
| Treasury Analyst   | 135          |
| Support  | 135          |
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