

## The Insolvency Act 1986

**2.24B****Administrator's progress report**

Name of Company George Carter (Pressings) Ltd	Company number 06620075
In the High Court Birmingham District Registry [full name of court]	Court case number 8041 of 2009

We  
Andrew Stephen McGill  
KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH  
United Kingdom

Mark Jeremy Orton  
KPMG LLP  
One Snowhill  
Snow Hill Queensway  
Birmingham  
B4 6GH  
United Kingdom

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

from	to
19 January 2010	9 July 2010

Signed

  
Joint Administrator

Dated

9 July 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.

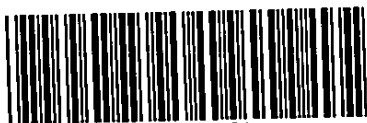
Helen Sutton KPMG LLP One Snowhill Snow Hill Queensway Birmingham B4 6GH DX Number DX 709850 Birmingham 26		Tel DX Exchange
--	--	--------------------

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

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

WEDNESDAY



A04

\*A0PSJLVQ\*

21/07/2010

419

COMPANIES HOUSE



**George Carter (Pressings) Limited  
in administration**

**Report to Creditors pursuant to Rule 2.47 of  
the Insolvency (Amendment) Rules 2003  
9 July 2010**

**KPMG Restructuring**

**ASM/SN/HS/Report to creditors**



KPMG LLP  
9 July 2010

## Contents

1	Glossary	1
2	Introduction	1
3	Joint Administrators' Proposals	1
4	Purpose and progress of the administration	2
4 1	Purpose of administration	2
4 2	Progress of the administration	3
5	Position for Creditors	3
5 1	Secured creditors	3
5 2	Preferential creditors	4
5 3	Unsecured creditors	4
6	Administrators' Time Costs	4
7	Conclusion and Ongoing Strategy	4

Appendix 1 – Summary of receipts and payments to 9 July 2010

Appendix 2 – Statutory Information

Appendix 3 – Administrators' time costs



KPMG LLP  
9 July 2010

## **Notice: About This Report**

This Report has been prepared by Andy McGill and Mark Orton, the Joint Administrators of George Carter (Pressings) 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 George Carter (Pressings) 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.

Andy McGill is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales. Mark Jeremy Orton is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association.

The Joint Administrators act as agents for George Carter (Pressings) 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.



## 1 Glossary

Joint Administrators	Andy McGill and Mark Orton of KPMG LLP
the Company	George Carter (Pressings) Limited – in administration (Company registered number 06620075)
LTSBCF	Lloyds TSB Commercial Finance Plc
The Bank	Lloyds TSB Bank Plc

## 2 Introduction

Creditors have previously been advised that, Andy McGill and Mark Orton of KPMG LLP were appointed Joint Administrators of George Carter (Pressings) Limited on 19 January 2009 by the Floating Charge Holder under paragraph 14 of Schedule B1 of the Insolvency Act 1986. The appointment was registered in the High Court of Justice, Chancery Division Birmingham District Registry. The Court case number is 8041 of 2009.

In accordance with Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 the functions of the Joint Administrators can be exercised by any of the Administrators.

In accordance with Rule 2.118(1) of the Insolvency (Amendment) Rules 2003 we are writing to provide notice of the closure of the administration. We Enclose Form 2.35B providing formal notice to that effect. We are also writing to provide an update for the period 20 January to 9 July 2010.

An abstract receipts and payments account for the period from 20 January to 9 July 2010 is attached at Appendix 1. Other information required by Rule 2.47 of the Insolvency (Amendment) Rules 2003 is attached at Appendix 2. A schedule of administrators' time costs and disbursements is attached at Appendix 3.

## 3 Joint Administrators' Proposals

The Joint Administrators proposals which were previously agreed by creditors are as follows:

- To continue to do all such things in a reasonably expedient manner and generally exercise all their powers as Joint Administrators as they in their discretion, consider desirable in order to maximise realisations from the assets of the Company,
- To seek an extension to the administration periods if deemed necessary by the Joint Administrators,



- 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. Also, that the Joint Administrators be authorised to draw disbursements from time to time,
- That the costs of KPMG LLP in respect of inter alia, tax, VAT, and other advice deemed necessary provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of the Company,
- When it is anticipated that no better realisations will be made in the administration than would be available in winding up, to take the necessary steps to put the Company into either creditors' voluntary liquidation or into compulsory liquidation as deemed appropriate by the Joint Administrators,
- If creditors' voluntary liquidation is deemed appropriate, the Joint Administrators be permitted to seek the appointment of Andrew Stephen McGill and Mark Jeremy Orton of KPMG LLP as 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 creditors' voluntary liquidation is deemed appropriate, and in the event that no creditors committee is formed, the Joint Liquidators be authorised to draw fees on account from the assets of the Company from time to time during the period of the liquidation, based on time properly spent by KPMG LLP. Time costs incurred by the Joint Liquidators are to reflect the complexity of the assignment. Also, that the Joint Liquidators be authorised to draw disbursements from time to time,
- If liquidation is deemed inappropriate by the Joint Administrators after all assets have been realised and all costs and distributions paid, then they should proceed with arranging the dissolution of the company,
- That the Joint Administrators be discharged from liability in respect of any action of theirs as Joint Administrators pursuant to paragraph 98(1) of schedule B1 of the Insolvency Act 1986 (the "Act") upon registering their final receipts and payments account under Rule 2.47 of the Insolvency (Amendment) Rules 2003

In accordance with the proposals outlined above, the administration will be brought to an end via dissolution. Further to this, the Joint Administrators will be discharged from any personal liability when the administration is closed.

#### 4 Purpose and progress of the administration

##### 4.1 Purpose of administration

The purposes of an administration are to

- 1) Rescue the company as a going concern; or



- 2) Achieve a better result for the company's creditors as a whole than would be likely if the company were wound up; or
- 3) To realise property in order to make a distribution to one or more secured or preferential creditors

It was not possible to rescue the limited company as a going concern, given reasons detailed in previous reports

The purpose of the administration was therefore to achieve a better result for the Company's creditors as a whole than would be likely if the company were wound up

#### 4.2 *Progress of the administration*

##### 4.2.1 *Update on strategy*

Our previous reports have outlined the strategy undertaken during the administration, whereby the company was traded whilst a buyer for the business was sought. As no suitable offer was forthcoming, it was determined that the most appropriate strategy was an orderly wind down of the company. The company was traded in administration until 15 May 2009 following which its freehold property and other assets were disposed of.

## 5 **Position for Creditors**

### 5.1 *Secured creditors*

#### 5.1.1 *Lloyds TSB Commercial Finance ("LTSBCF")*

As previously advised, the Company was indebted to LTSBCF for the following amounts,

- Chattel mortgage of £109,000 secured on certain elements of the plant and machinery;
- Invoice discounting facility of £356,000 (see section 5.2.2 Debtors above),

LTSBCF have been repaid in full from debtor and chattels realisations

#### 5.1.2 *Lloyds TSB Bank Plc*

Further to LTSBCF, the Company was indebted to Lloyds TSB Bank Plc for the following amounts,

- Mortgage of £385,000 secured on the freehold property;
- Overdraft of £47,250

As detailed in previous reports, there is a shortfall of approximately £135,000 to Lloyds TSB Bank Plc from the sale of the property at Clothier Street



**5.2 Preferential creditors**

A first and final dividend of 53.62p in the £ was distributed to preferential creditors on 25 May 2010. No further distributions will be made.

**5.3 Unsecured creditors**

As discussed in previous reports, fixed charge realisations have been insufficient to repay the Bank's indebtedness in full. Any floating charge realisations must first be used to pay preferential creditors. Unfortunately, as realisations have been insufficient to discharge the liability to this class of creditor in full, there are no funds available to make a distribution to unsecured creditors.

**6 Administrators' Time Costs**

Administrators' time costs within the period 19 January to 9 July 2010 total £32,742 representing 151 hours at an average rate of £217 per hour. This brings total time costs to date at KPMG standard rates to £676,105, representing 2,709 hours. Full details of the time incurred in the final period are attached at Appendix 3.

The joint administrators have drawn fees of £345,548 against time costs incurred. No further recoveries against outstanding costs will be made.

A creditors' guide to administrators' 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 us.

**7 Conclusion and Ongoing Strategy**

With realisations complete and all final costs settled, it is now possible to finalise the administration of the Company.

The administration is now being brought to a conclusion, in accordance with our approved proposals, by the filing of notice under Paragraph 84(1) of Schedule B1 to the Insolvency Act 1986 with the Registrar of Companies, following registration of which the Company will be dissolved three months thereafter.





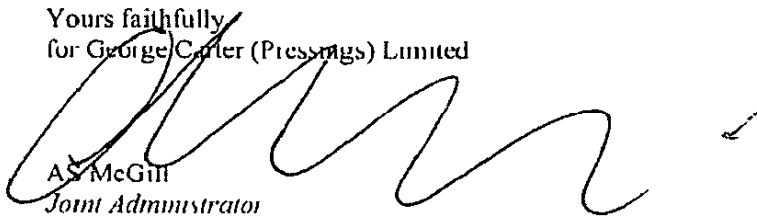
*George Carter (Pressings) Ltd – in administration*

*KPMG LLP*

*9 July 2010*

Should any creditor require further information, please contact my colleague, Helen Sutton on 0121 609 5894

Yours faithfully  
for George Carter (Pressings) Limited



AS McGill  
Joint Administrator

The affairs business and property of the company is being managed by the joint administrators

Andy Stephen McGill is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants England & Wales

Mark Jeremy Orton is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association



*George Carter (Pressings) Ltd – in administration*  
*KPMG LLP*  
*9 July 2010*

## **Appendix 1**

### **Summary of receipts and payments to 9 July 2010**

#### **NOTE**

The attached receipts and payments account shows an outstanding VAT receivable amount of £617 39

This amount is currently being reclaimed under the ongoing George Carters (Pressings) Limited VAT registration and following closure of this administration will form part of the administrators' fees detailed earlier.

The total administrators' fees in the administration are therefore £347,066 85

**George Carter (Pressings) Ltd**  
**(In Administration)**  
**Administrators' Trading Account**

Statement of Affairs	From 19/01/2010 To 09/07/2010	From 19/01/2009 To 09/07/2010
<b>POST-APPOINTMENT SALES</b>		
Sales	NIL	1,447,403 81
Exchange Gains	NIL	7,789 52
	NIL	1,455,193 33
<b>PURCHASES</b>		
Steel	NIL	333,962 22
Powder	NIL	15,264 45
Other Raw Materials	NIL	13,503 23
Purchases (4)	NIL	20,207 69
Life Insurance	NIL	5,716 78
	NIL	(388,654 37)
<b>OTHER DIRECT COSTS</b>		
Direct labour	NIL	372,910 95
Employee Deductions	NIL	366 91
Sub contractors	NIL	33,725 97
Consumable stores	NIL	9,310 01
Trade Incentive Payments	NIL	1,739 13
	NIL	(418,052 97)
<b>TRADING EXPENSES</b>		
Sub contractors - services	NIL	11,202 92
Rent	NIL	44,954 32
Rates	NIL	19,639 71
Water rates	NIL	8,118 71
Heat & light	NIL	170,527.22
Trading Insurance	(1,329 99)	39,744 26
Telephone/Telex/Fax	NIL	5,692 01
Professional fees	NIL	11,552 70
HP/Leasing payments	NIL	1,649 07
Hire of equipment	NIL	16,512 09
Repairs and maintenance	1,329 99	14,186 99
Sundry expenses	NIL	6,621.29
ROI Payments	NIL	23,055 21
Vehicle running costs	NIL	714 00
Advertising	NIL	151 38
Stationery & postage	NIL	153 60
	NIL	(374,475 48)
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>NIL</b>	<b>274,010.51</b>

**George Carter (Pressings) Ltd**  
**(In Administration)**  
**Administrators' Abstract of Receipts & Payments**

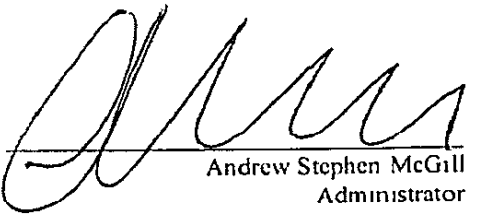
Statement of Affairs	From 19/01/2010 To 09/07/2010	From 19/01/2009 To 09/07/2010
<b>FIXED CHARGE ASSETS</b>		
Book debts	NIL	11,737 98
Bank interest, gross	NIL	(19 00)
Petty cash refund	NIL	86 16
	NIL	11,805 14
<b>FIXED CHARGE COSTS</b>		
Security Costs	NIL	3,354 00
Bank charges	100 00	492 58
Insurance	NIL	1,380 00
	(100 00)	(5,226 58)
<b>FIXED CHARGE CREDITORS</b>		
Fixed charge creditor	4,750 00	14,750 00
	4,750 00	14,750 00
<b>ASSET REALISATIONS</b>		
Scrap Sales	NIL	44,002 54
Plant & machinery	NIL	203,136 76
Furniture & equipment	NIL	26 09
Motor vehicles	NIL	11,758 70
Book debts	NIL	31,213 45
Insurance refund	NIL	5,977 51
	NIL	296,115 05
<b>OTHER REALISATIONS</b>		
Bank interest, gross	100 13	100 13
Sundry refunds	NIL	2,101 42
Trading Surplus/(Deficit)	NIL	274,010 51
	100 13	276,212 06
<b>COST OF REALISATIONS</b>		
Administrators' fees	345,548 43	345,548 43
Agents'/Valuers' fees	NIL	18 804 26
Legal fees	3,292 95	7,076 95
Storage costs	109 20	132 18
Re-direction of mail	NIL	52 05
Other property expenses	156 35	156 35
PAYE & NIC	NIL	158,062 31
Bank charges	301 56	2,599 71
	(349,408 49)	(532,432 24)
<b>PREFERENTIAL CREDITORS</b>		
Subrogated EP(C)A claim	29,396 71	29,396 71
Employees' wage arrears	9,295 77	9,295 77
	(38,692 48)	(38,692 48)
<b>FLOATING CHARGE CREDITORS</b>		
Floating charge (2)	NIL	21,913 56
	NIL	(21,913 56)
	(383,350 84)	617.39

REPRESENTED BY

Floating ch VAT rec'able  
Floating ch VAT payable

627.13  
(9.74)

617.39



Andrew Stephen McGill  
Administrator



*George Carter (Pressings) Ltd – in administration*  
KPMG LLP  
9 July 2010

## Appendix 2

### George Carter (Pressings) Limited - Statutory information

Date of incorporation	13 June 2008
Company registration number	06620075
Trading names	George Carter (Pressings) Ltd
Present registered office	KPMG LLP 2 Cornwall Street Birmingham B3 2DL
Previous registered office	195 High Street Cradley Heath, West Midlands. B64 5HW
Trading addresses	Clothier Street Willenhall, West Midlands, WV13 1BG
Directors' shareholdings	Jeremy Edmonds – 1 ordinary share Jeremy Edmonds – 50,000 ordinary shares
Directors	Jeremy Edmonds Lee Pearson Stanley Whitehouse
Company secretary	Stanley Whitehouse



KPMG LLP  
9 July 2010

## Appendix 3

### Administrators' time costs – 19 January to 9 July 2010

	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
<b>Administration &amp; planning</b>							
Cashiering							
General (Cashiering)	0 90		7 85	11 70	20 45	£3,369 75	£164 78
Reconciliations (& IPS accounting reviews)			0 50	0 90	1 40	£207 00	£147 86
<b>General</b>							
Books and records		1 00	6 00		7 00	£1,395 00	£199 29
Fees and WIP			3 00		3 00	£495 00	£165 00
<b>Statutory and compliance</b>							
Appointment and related formalities				0 10	0 10	£10 50	£105 00
Closure and related formalities		2 00	1 00	0 10	3 10	£1,003 00	£323 55
<b>Tax</b>							
Post appointment corporation tax		11 20	25 40		36 60	£8,757 00	£239 28
Post appointment PAYE			5 50		5 50	£907 50	£165 00
Post appointment VAT		1 50	12 25		13 75	£2,933 25	£213 33
<b>Creditors</b>							
<b>Creditors and claims</b>							
Agreement of preferential claims		1 10	1 00		2 10	£517 00	£246 19
General correspondence		4 50		0 90	5 40	£1,917 00	£355 00
Legal claims			0 90		0 90	£148 50	£165 00
Payment of dividends		1 70	1 50		3 20	£919 00	£287 19
Pre-appointment VAT / PAYE / CT			1 50		1 50	£247 50	£165 00
Statutory reports	2 50		9 00		11 50	£2,585 00	£224 78
<b>Employees</b>							
Agreeing employee claims		0 70			0 70	£224 00	£320 00
Correspondence		1 20	16 20	2 85	20 25	£3,368 25	£166 33
DTI redundancy payments service		0 50			0 50	£160 00	£320 00
Pension funds			6 00		6 00	£990 00	£165 00
Pensions reviews		2 10	1 00		3 70	£1,032 00	£278 92
<b>Realisation of assets</b>							
<b>Asset Realisation</b>							
Freehold property			1 40		1 40	£231 00	£165 00
Other assets		2 00			2 00	£810 00	£405 00
<b>Trading code used outside trading period</b>							
<b>Trading</b>							
Purchases and trading costs	1 00				1 00	£515 00	£515 00
<b>Total in period</b>					<b>151 05</b>	<b>£32,742 25</b>	<b>£216 76</b>