

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company
MEH Facilities Limited ✓

Company number
06827459

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

Court case number
2363 of 2016

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

I/We (a)
Carl Jackson
Quantuma LLP
14th Floor, Dukes Keep
Marsh Lane
Southampton
SO14 3EX

Simon Campbell
Quantuma LLP
14th Floor, Dukes Keep
Marsh Lane
Southampton
SO14 3EX

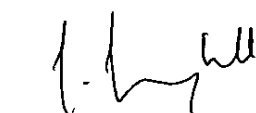
*Delete as
applicable

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

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

(b) 27 June 2016

Signed



Joint / Administrator(s)

Dated

27 JUNE 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
published



A5A793WZ

A17 29/06/2016 #251

COMPANIES HOUSE

Carl Jackson
Quantuma LLP
14th Floor, Dukes Keep
Marsh Lane
Southampton
SO14 3EX

DX Number

02380336464
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

**Joint Administrators' Proposals relating to
MEH Facilities Limited ("the Company") – In Administration**

Issued on: 27 June 2016

Carl Jackson and Simon Campbell of Quantuma LLP are the Joint Administrators of the Company and these are the Joint Administrators' statutory Proposals relating to the Company

STATUTORY INFORMATION

Statutory information relating to the Company is attached at **Appendix I**.

CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE JOINT ADMINISTRATORS

A summary of the Company's recent trading performance is shown below

	Mgmt Accts y/e 29/02/2015 £	Statutory Accts y/e 28/02/2015 £	Statutory Accts y/e 28/02/2014 £
Turnover	2,046,955	2,576,414	2,726,555
Costs of Sales	<u>(1,375,729)</u>	<u>(1,634,204)</u>	<u>(1,701,177)</u>
Gross Profit	671,226	942,210	1,025,378
Gross Profit %	33%	37%	38%
Overheads	<u>(643,539)</u>	<u>(752,244)</u>	<u>(853,077)</u>
Operating Profit	<u>27,687</u>	<u>189,966</u>	<u>172,301</u>

It should be noted that the management accounts have not been verified for accuracy and therefore may not reflect the Company's true trading position

The Company was incorporated on 23 February 2009 and operated as mechanical and electrical contractors trading from rented premises at 1 Thornham Grove, Stratford, London. The Company worked on ongoing maintenance contracts and also larger refurbishment contracts for customers such as the NHS and schools in the Greater London area

The Company was funded by way of an invoice factoring facility with ABN Amro Commercial Finance Limited ("ABN")

Historically the Company has traded profitably but recently had experienced a number of difficulties. In December 2015, an invoice in the sum of £106k was raised in error in respect of contracts which had been won but not yet started which led to ABN questioning the integrity of the ledger

The Company also had issues with a large contract with NHS Kingston for refurbishment works. Invoices had been raised but the amounts have been disputed which led ABN to advise that it was not comfortable with advancing further sums until the problems had been rectified

Simon Campbell of Quantuma LLP first met with the director of the Company on 8 April 2016 to discuss the Company's financial position. At this meeting it was agreed that a further meeting would be held the next week with ABN and a quantity surveyor to discuss the integrity of the ledger and to formulate a plan

After this meeting it was discovered that HMRC had issued a winding-up petition on 29 March 2016 in respect of unpaid PAYE, NI, CIS and VAT totalling £260,789, although the petitioning amount was disputed by the director. Another winding-up petition was then issued by a supplier, Wolseley UK Limited, on 12 April 2016 for unpaid debts totalling £41,205. The Company was not in a position to settle either of these debts

The director was aware of an interested party who was potentially interested in making an offer for the business. However, the director's preferred option was to propose a Company Voluntary Arrangement ("CVA") to the creditors. This was deemed to be impractical for a number of reasons including ABN's

reluctance to continue to support the business and the two outstanding winding-up petitions. Quantuma LLP therefore considered that the preferred option would be to pursue a sale of the business to the interested party, potentially through a 'pre-packaged' sale in Administration, although it remained open for the director to pursue the necessary conditions for a viable CVA.

Quantuma LLP instructed quantity surveyor Kinetica Consult Limited ("Kinetica") to review the ledger and attend a meeting at the Company's premises with ABN. At this meeting ABN agreed to continue to fund essential payments in the short term with a view to a sale of the business completing as soon as possible.

Quantuma LLP then instructed SIA Group (UK) Limited ("SIA") to prepare a valuation of the Company's assets and to advise on a marketing strategy for the business. An advertisement was placed online and a few further interested parties were identified.

It became apparent that the value in the Company was primarily with its ongoing contracts and work in progress. Kinetica advised that it would be preferable to arrange a sale of the business in such a way that it allowed the Company to retain the benefit of the work in progress.

An offer for the business was received from AJS Limited, the purchaser who was introduced by the director. The offer was the sum of £8,000 for the Company's goodwill and a percentage of realisations on contracts which were on the Company's pipeline. AJS Limited was not proposing to purchase the Company's current contracts however they agreed to assist with funding the ongoing contracts for a fee of 15% of funds advanced.

The other interested parties requested further information but ultimately no further offers for the business were received.

During the marketing process a lot of pressure was received from other creditors, including bailiffs visiting the premises to try and repossess goods.

Both Kinetica and SIA advised that the offer for the business from AJS Limited should be accepted and a sale contract was drafted with a proposed completion date of 29 April 2016. On the basis that the sale of the business would be completing imminently, ABN agreed to fund the wages to the employees and subcontractors.

On 29 April 2016, AJS Limited advised that it was no longer interested in purchasing the business and citing the recent detriments to the Company's goodwill and the current health of AJS's director as the main reasons.

As the offer for the business had been withdrawn, Kinetica and Quantuma could no longer recommend that ABN should continue to fund the business and therefore all funding was ceased.

The Company's finance manager then contacted Quantuma LLP to advise that she was interested in making an offer for the business and was trying to source monies to fund the ongoing contracts. It was agreed that a meeting would be held at the Company's premises on 3 May 2016 to consider whether such a sale was a viable option.

On 3 May 2016, the finance manager advised that she had not been able to source the funds to purchase the business. ABN therefore instructed solicitors to file the relevant paperwork to appoint administrators over the Company.

On 3 May 2016, Simon Campbell and Carl Jackson were appointed by ABN Amro Commercial Finance Limited as Joint Administrators of the Company and took over from the Board responsibility for the management of the affairs, business and property of the Company. The appointment permitted the Joint Administrators to take any actions required either jointly or alone.

The Joint Administrators considered that without any funding to meet the overdue wages payments, there was no option but to immediately cease trading and therefore trade ceased on 3 May 2016.

Prior to the commencement of the Administration, Quantuma LLP acted as advisors to ABN and to the Board as a whole acting on behalf of the Company. No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, Quantuma LLP was still required to act in its dealings with the Company in accordance with the Insolvency Code of Ethics.

Prior to the first meeting with the director on 8 April 2016, Quantuma LLP had no involvement with the Company, its Directors or Shareholders.

As required by the Insolvency Code of Ethics, the Joint Administrators considered the various threats to our objectivity arising from this prior involvement. We concluded that those threats were at an acceptable level such that we could still act objectively and hence could be appointed Administrators of the Company.

OBJECTIVES OF THE ADMINISTRATION AND THE JOINT ADMINISTRATORS' STRATEGY FOR ACHIEVEMENT

As Joint Administrators of the Company we are officers of the Court, and must perform our duties in the interests of the Creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to

- (a) rescue the Company as a going concern, or
- (b) 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), or
- (c) realise property in order to make a distribution to one or more secured or preferential Creditors.

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the nature of the Company's trading and its financial circumstances meant that a Company Voluntary Arrangement was not appropriate.

The second objective could not be achieved as no purchaser for the business could be found and therefore the amount due to the Company's charge holders compared to the value of its assets means that there are only sufficient assets to make a distribution to the charge holders. As a result, we are seeking to achieve objective (c) for the Company, and this will be achieved by working to collect the debts due to the Company which fall under ABN's assignment of debts.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the Creditors. If we are unable to complete the Administration of the Company within 12 months then we will seek approval from each secured creditor together with the preferential creditors to extend the duration of the Administration. Alternatively we can apply to the Court to seek approval to extend the duration of the Administration.

FINANCIAL POSITION OF THE COMPANY

We have asked the Directors to prepare a summary of the Company's estimated financial position, a Statement of Affairs, as at 3 May 2016. This is yet to be received.

In the absence of a Statement of Affairs, we have prepared an estimate of the financial position of the Company as at 3 May 2016 from the records of the Company, and that is attached at **Appendix II**, together with a list of names and addresses of all known Creditors and the amounts of their debts.

Comments regarding the Joint Administrators' estimate of the financial position of the Company are as follows

Fixed Charge Assets

The Company factored its book debts, and as a result they are held as security by ABN Amro Commercial Finance Limited. ABN has instructed Kinetica Consult Limited to assist with the collection of the debts.

As at the date of the Joint Administrators' appointment, the gross ledger stood at £402,132 and the sum of £164,806 was due to ABN. However, ceasing to trade has affected the collectability of the ledger and it is not anticipated that there will be sufficient collections to settle the debt to ABN in full. We comment in further detail below.

Contracts Not Started

In December 2015, the Company raised an invoice in the sum of £106,724 in respect of a contract which had been won but not yet started. As no works have been completed, Kinetica do not anticipate that any realisations will be made in respect of this invoice.

Kingston Contract

The Company's contract with NHS Kingston was still in progress when the Company ceased to trade. Kinetica has been liaising with the main contractor and a lot of the subcontractors are now employed directly by the trust in order to complete the works. As at the date of the Joint Administrators' appointment, the following amounts were outstanding to the Company:

Unpaid invoices	26,889
Retentions	54,359
Applications for Payment	54,717
Total	<u>135,965</u>

As the contract was unfinished it is anticipated that there will be counter claims for breach of contract and therefore at this stage Kinetica anticipate that best case realisations will be £25,476 and worst case realisations will be nil.

Completed Projects

The sum of £159,442 is due to the Company in respect of outstanding invoices relating to completed projects. Kinetica's initial report suggested that best case realisations would be £111,221 and £47,820 worst case. To date collections totalling £57,866 have been made and Kinetica has therefore revised its estimations to a further £68,642 best case and £29,177 worst case.

As these debts are subject to ABN's fixed charge these sums have been paid to them directly and are not reflected on the Joint Administrators' receipts and payments account.

Goodwill

The director has expressed an interest in acquiring the Company's goodwill and trading name. An offer of £5,000 plus VAT has been received and in the absence of any other offers this has been accepted. It is anticipated that the sale will complete shortly.

Floating Charge Assets

Furniture and Equipment

The Company's furniture and equipment was valued by SIA Group (UK) Limited and they estimated that it would have a value of £1,040. However, they have advised that the cost of removing the assets and preparing them for sale would exceed this valuation and therefore no realisations are anticipated.

The director has expressed an interest in acquiring these assets and it is proposed that they be included in the sale referred to above

Preferential Creditors

The only known preferential Creditors are former employees of the Company for unpaid wages and holiday pay. Their claims are subject to a maximum limit set by the insolvency legislation.

It is estimated that the preferential claims will total £25,643. Based on current indications it is unlikely there will be any distribution to the preferential creditors.

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 gave a floating charge to ABN on 4 November 2014. However, the Joint Administrators' estimate of the financial position of the Company shows that the net property of the Company is nil and therefore the prescribed part provisions will not apply.

Unsecured Creditors

The Company's records show that the sum of £348,999 is outstanding to trade and expense creditors.

The sum of £42,623 is due to the former employees of the Company in respect of redundancy pay and pay in lieu of notice.

The sum of £260,789 is due to HM Revenue and Customs in respect of unpaid PAYE, NIC, CIS and VAT.

The Joint Administrators have been advised that the sum of £267,000 is outstanding to former employees in respect of loans that have been made to the Company.

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

I attach at **Appendix III** a summary of the receipts and payments relating to the Company for the period from when it entered Administration, 03 May 2016, to the date of these Proposals.

PROPOSED FUTURE ACTIONS OF THE JOINT ADMINISTRATORS TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

In order to achieve the objective of the Administration of the Company I propose to realise any assets and to assist where necessary with the collection of the book debts.

DIVIDEND PROSPECTS

The Company's financial position means there are insufficient assets to enable me to pay a dividend to unsecured creditors.

EXIT ROUTE

It is intended that the Administration will end by the Company moving to dissolution.

MEETING OF CREDITORS & APPROVAL OF PROPOSALS

I am not convening a meeting of creditors as in the Joint Administrators' opinion the Company has insufficient property to enable a distribution to be made to unsecured creditors

However, creditors whose debts amount to at least 10% of the total debts of the Company can require me to call a meeting. Such a request must be made to me on Form 2.21B within 8 business days of the date of the letter accompanying these proposals

If creditors do not require me to convene a meeting of creditors within that time period, then my proposals will be deemed to have been approved

Creditors are also entitled at a meeting of creditors to establish a Creditors' Committee should they so wish, provided that there are no fewer than three wishing to be represented on the Committee, which must be comprised of between three and five creditors

PRE-APPOINTMENT FEES AND EXPENSES

Before a Company enters into any form of insolvency proceedings, professional costs are necessarily incurred in order to ensure that

- The most suitable form of proceedings is chosen, in the interests of Creditors
- The mechanics of initiating the proceedings and appointing an insolvency practitioner is dealt with appropriately

The basis on which these costs are to be paid varies according to the insolvency procedure adopted. In the case of a Company entering into Administration, the Administrator must make a 'Statement of Pre-Administration Costs', the content of which is prescribed by the Insolvency Rules

As I have already indicated, a meeting of creditors is not being convened for the purpose of agreeing my Proposals. As a result, it will be for the charge holder and preferential creditors to approve pre-appointment fees and expenses and category 2 expenses

My Statement of Pre-Administration Costs is set out at **Appendix IV**

In this case, further work was also done in the interests of Creditors prior to our appointment as Joint Administrators to prepare for the sale of the business and assets shortly following my appointment. It will be appreciated that it would have still been necessary to obtain valuations and instruct agents and solicitors to assist in disposing of the assets following my appointment, and for me to manage and oversee the asset realisation process. To that extent, these costs are not additional costs that would have been saved, had the assets been disposed of later

JOINT ADMINISTRATORS' FEES

As already stated I am not convening a meeting of creditors for the purpose of agreeing my Proposals. As a result, it will be for the charge holder and preferential creditors to approve my remuneration

It is not anticipated that there will be sufficient funds to draw the balance of the Joint Administrators' post appointment time costs in full and therefore we are proposing to charge our fees on a basis of a fixed fee of £20,000. The only anticipated asset realisations are the sale of the business in the sum of £5,000. In the event that there are any other realisations which come to light during the course of the Administration which are in excess of the Pre-Administration costs and the fixed fee, the Joint Administrators' propose that they charge a fee representing 30% of the funds received

Quantuma LLP's Schedule of Current Charge Out Rates & Chargeable Disbursements are available on request or can be downloaded from http://www.quantuma.com/uploads/1/6/1/1/16116268/quantuma_time_and_rates2.pdf

I attach a Fee Estimate at **Appendix V** that sets out the work that we intend to undertake and the time that we think each part of the work will take to complete

To date a total of 71 75 hours have been spent carrying out the work outlined above in the Administration. Total time costs to date are £17,232 charged at an average charge out rate of £224.31. I attach at **Appendix V** a summary of time costs incurred to date by reference to grade of staff and work done. It is therefore anticipated that far in excess of £20,000 of time costs will be incurred during the course of the Administration.

A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from http://www.quantuma.com/uploads/1/6/1/1/16116268/guide_to_administrators_fees_oct_2015.pdf. This publication provides details about how Administrators' fees may be approved and challenged.

Further information about Creditors' rights can be obtained by visiting the Creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorsinsolvencyguide.co.uk/>

JOINT ADMINISTRATORS' EXPENSES & DISBURSEMENTS

Expenses do not have to be approved, but when reporting to creditors during the course of the Administration, the actual expenses incurred will be compared with the original estimate provided at **Appendix VI** and I will explain any material difference.

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

Professional Advisor	Nature of Work	Fee Arrangement
Kinetica Consult Limited	Agent and Quantity Surveyor – collecting book debts and work in progress	ABN Amro has taken over the instruction of Kinetica and they are paying the fees directly

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.

Details of Quantuma LLP's charging policy in relation to disbursements are available on request or can be downloaded from http://www.quantuma.com/uploads/1/6/1/1/16116268/quantuma_time_and_rates2.pdf

Those expenses which are classed as Category 1 disbursements do not have to be approved but when reporting to the Creditors during the course of the Liquidation the actual expenses incurred will be compared with the original estimate provided and I will explain any material differences.

I have incurred the following Category 1 disbursements since my appointment as Joint Administrator:

Name of Expense	Amount incurred/accrued since appointment £	Amount paid £	Amount outstanding £
Postage	56.00	0.00	56.00
Travel Expenses	92.10	0.00	92.10
Subsistence	2.04	0.00	2.04
Total	150.14	0.00	150.14

Disbursements classed as Category 2, require specific approval. It will be for the charge holder and preferential creditors to approve my Category 2 disbursements.

To date the following category 2 disbursements have been incurred/accrued

Name of Expense	Amount incurred/accrued since appointment £	Amount paid £	Amount outstanding £
Photocopying	43.20	0.00	43.20
Total	43.20	0.00	43.20

I attach a schedule at **Appendix VI** outlining the expenses and disbursements that I anticipate will arise in these proceedings, which includes the expenses and disbursements outlined above.

DISCHARGE FROM LIABILITY

In accordance with legislation I will seek a resolution from the secured and preferential creditors for discharge from liability in respect of any action of the Administrators to take effect 14 days following cessation to act as Administrators.

The resolution will be as follows:

If the Administration ends by the Joint Administrators filing notice that the objective has been sufficiently achieved or by the Company moving into Liquidation or being dissolved, the Joint Administrators shall be discharged from liability 14 days following either the Company entering into Liquidation or filing the notice of moving from Administration to dissolution.

This resolution does not form part of our Proposals.

JOINT ADMINISTRATORS' INVESTIGATIONS

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.

EC REGULATION ON INSOLVENCY PROCEEDINGS

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. I also consider that they are "main" proceedings since the Company's registered office and its trading address is in the United Kingdom.

JOINT ADMINISTRATORS' PROPOSALS

In order to achieve the objective set out at section 3 above, the Joint Administrators, formally propose to Creditors that:

1. They continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that they:
 - (i) sell the Company's assets at such time(s) on such terms as we consider appropriate,

- (ii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company, and
- (iii) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these Proposals

The Administration shall end where any of the following shall occur

- 2 The Administration of the Company may end by filing notice of dissolution with the Registrar of Companies. The Company will then automatically be dissolved by the Registrar of Companies three months after the notice is registered
- 3 The Administration may end by the presentation of a winding up petition to the Court for the Compulsory Liquidation of the Company, and it is proposed that Carl Jackson and Simon Campbell are appointed Joint Liquidators of the Company by the Court

N.B. Creditors may nominate a different person(s) as the proposed Liquidator(s), but must make the nomination(s) at any time after receipt of these Proposals, but before they are approved. Information about the approval of the Proposals is set out at an earlier section in this report.

FURTHER INFORMATION

Creditors should note that the Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. Additionally the Joint Administrators are also bound by the regulations of their Licensing Bodies.

To comply with the Provision of Services Regulations, some general information about Quantuma LLP, including our complaints policy and Professional Indemnity Insurance, can be found at http://www.quantuma.com/uploads/1/6/1/1/16116268/quantuma_llp_provision_of_services_regulations_2009-3.pdf

Should you have any queries in regard to any of the above please do not hesitate to contact Alison Broeders on 02380 336464 or by e-mail at Alison.Broeders@Quantuma.com

Yours faithfully



Simon Campbell
Joint Administrator

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association

Enc

The Joint Administrators are agents of the Company and act without personal liability

Appendix I

MEH Facilities Limited(In Administration)

Statutory Information

Appendix I

Statutory Information

Company Information

Company name	MEH Facilities Limited
Company number	06827459
Date of incorporation	23/02/2009
Trading address	1 Thornham Grove, Stratford, London, E15 1DN
Current registered office	14th Floor, Dukes Keep, Marsh Lane, Southampton, SO14 3EX
Former registered office	
Principal trading activity	Mechanical and electrical contractors

Appointment Details

Administrators	Carl Jackson and Simon Campbell
Administrators' address	Quantuma LLP 14th Floor, Dukes Keep, Marsh Lane, Southampton, SO14 3EX
Date of appointment	3 May 2016
Court name and reference	High Court, Chancery Division, Companies Court 2363 of 2016
Appointment made by	ABN Commercial Finance Limited, Sheencroft House, 10-12 Church Road, Haywards Heath, RG16 3SN
Actions of Administrators	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone

Officers of the Company

Directors	Name	Shareholding
	Ronald Theobald	50%
Company Secretary	Name	Shareholding
	Yvonne Theobald	50%

Share capital

Authorised	Allotted, called up and fully paid
100 ordinary shares of £1 each	100 ordinary shares of £1 each

Charges

Name of Chargeholder	Nature of Charge	Date of Charge
ABN Amro Commercial Finance Limited	Fixed and floating	4 November 2014

Appendix II

MEH Facilities Limited(In Administration)

**Joint Administrators' Estimate of the Financial Position of
the Company**

as at 3 May 2016

Insolvency Act 1986
MEH Facilities Limited
Estimated Statement Of Affairs as at 3 May 2016

	Book Value £	Estimated to Realise £
ASSETS		
Contracts Not Started	106,724 00	NIL
Kingston Contract	135,966 00	NIL
Completed Projects	159,442 00	47,820 00
ABN Amro Commercial Finance (Created 4/11/2014)		<u>(164,806 00)</u>
Deficiency c/d		<u>(116,986 00)</u>
Furniture & Equipment	NIL	<u>NIL</u> NIL
LIABILITIES		
PREFERENTIAL CREDITORS -		
DE Arrears & Holiday Pay		25,643 45
		<u>25,643 45</u> (25,643 45)
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003		
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS		
		<u>NIL</u> (25,643 45)
Estimated prescribed part of net property where applicable (to carry forward)		<u>NIL</u> (25,643 45)
DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003		
Deficiency b/d	116,986 00	116,986 00
		<u>(142,629 45)</u>
Estimated prescribed part of net property where applicable (brought down)		<u>NIL</u> NIL
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Shortfall to preferential creditors/F C's pre 15 Sept 2003 (brought down)	25,643 45	
Trade & Expense Creditors	348,998 99	
Employees	42,623 29	
HM Revenue and Customs	260,789 04	
Employee Loans	<u>267,000 00</u>	
		<u>945,054 77</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F C's post 14 September 2003)		(945,054 77)
Shortfall in respect of F C's post 14 September 2003 (brought down)		<u>116,986 00</u> (1,062,040 77)
Issued and called up capital		
Ordinary Shareholders	100 00	100 00
TOTAL SURPLUS/(DEFICIENCY)		<u>(1,062,140 77)</u>

Appendix II

MEH FACILITIES LIMITED

NOTES TO THE JOINT ADMINISTRATORS' ESTIMATE OF THE FINANCIAL POSITION OF THE COMPANY

As at 3 May 2016

- 1 The Joint Administrators' estimate of the Financial Position of the Company does not take into account the costs of the Administration
- 2 The figures contained in the Joint Administrators' estimate of the Financial Position of the Company reflects information obtained from the Company's records
- 3 Kinetica Consult Limited and SIA Group (UK) Limited carried out a valuation of the assets of the Company
- 4 Preferential creditors represent liabilities to employees
- 5 Subsequent to this statement being prepared an offer in the sum of £5,000 plus VAT has been received from the director for the Company's goodwill, trading name etc

MEH Facilities Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 27/06/2016

S of A £		£	£
	SECURED ASSETS		
NIL	Contracts Not Started	NIL	
NIL	Kingston Contract	NIL	
47,820 00	Completed Projects	NIL	
			NIL
	SECURED CREDITORS		
(164,808 00)	ABN Amro Commercial Finance	NIL	
			NIL
	ASSET REALISATIONS		
NIL	Furniture & Equipment	NIL	
	Contribution to costs	1,440 00	
			1 440 00
	COST OF REALISATIONS		
	Post Appointment Wages	1 440 00	
			(1 440 00)
	PREFERENTIAL CREDITORS		
(25,843 45)	DE Arrears & Holiday Pay	NIL	
			NIL
	UNSECURED CREDITORS		
(348 998 99)	Trade & Expense Creditors	NIL	
(42,623 29)	Employees	NIL	
(260,789 04)	HM Revenue and Customs	NIL	
(267,000 00)	Employee Loans	NIL	
			NIL
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	
			NIL
(1,062,140 77)			NIL
	REPRESENTED BY		
			NIL

Appendix IV
MEH Facilities Limited
(In Administration)
Pre-Administration Costs

MEH Facilities Limited ("the Company") – In Administration**Statement of Pre-Administration Costs**

Pre-administration costs are defined in the Insolvency Rules as fees charged and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the company entered administration but with a view to its doing so

This statement shows those fees and expenses that were paid prior to the Administration and those where approval is being sought to pay them from Administration funds

Summary of the Joint Administrators' Pre-Administration Costs

The following summary sets out the pre-appointment fees and expenses incurred

	Total cost incurred	Amount already Paid	Amount Outstanding
	£	£	£
Administrators' pre-administration Remuneration (abated*)	24,675 50	0 00	24,674 50
Administrators' pre-administration Expenses			
Legal costs	3,700 00	0 00	3,700 00
Valuation Agent's costs	1,000 00	0 00	1,000 00
Quantity Surveyor's costs	4,200 00	0 00	4,200 00
Marketing	175 00	0 00	175 00
Administrators' Pre-administration Disbursements			
Category 1	0 00	0 00	0 00
Category 2	0 00	0 00	0 00
Total			33,749 50

Information relating to Quantuma LLP's current charge out rates and policy regarding chargeable disbursements will be provided upon request of can be downloaded from http://www.quantuma.com/uploads/1/6/1/1/16116268/quantuma_time_and_rates2.pdf

Further information on each category of pre-administration cost is given below

Pre-Administration Time Costs of the Joint Administrators

The Joint Administrators' unpaid pre-appointment time costs total £24,675

The balance of the Joint Administrators' pre-appointment time costs relates to costs incurred specifically with a view to administration. These costs were all incurred in relation to the following activities

confirming that one of the statutory objectives of administration could be achieved
negotiating a pre-packaged sale of the Company's business and assets
liaising with secured creditors, key stakeholders and major creditors
carrying out all necessary steps in order to place the Company into administration

I attach at a detailed time cost table showing the pre-appointment time costs incurred by Quantuma LLP

The Company's charge holder instructed me to assist in placing the Company into Administration on 14 April 2016. The agreement under which we incurred the pre-administration costs was Quantuma LLP's Letter of Engagement from the Company dated 14 April 2016

They agreed that I should be paid my pre-appointment fees and expenses on a time costs basis estimated at £20,000. As detailed in the proposals report the matter was not as straightforward as originally anticipated and therefore additional costs have been incurred.

None of these costs has been paid.

Pre-Administration Expenses

We instructed Lester Aldridge Solicitors to draft the Purchase and Sale Agreement with AJS Limited, and to deal with the steps necessary to affect our appointment at court. These pre-administration expenses have been incurred on a time cost basis, plus disbursements. Although the sale did not ultimately complete the Joint Administrators' consider that it was in the interests of creditors to complete this work and had the sale completed, it would have resulted in higher realisations for creditors.

We instructed SIA Group (UK) Limited to carry out an inventory and valuation of the Company's assets on going concern (in situ and ex situ) bases and a forced sale basis, and to advise us with respect to the offer received by the Company for its business and assets from the purchaser. These pre-administration expenses have been incurred by SIA on a time cost basis, plus disbursements.

We instructed Kinetica Consult Limited to carry out a review and valuation of the Company's book debts, work in progress and pipeline and to advise on the offer received for the business from AJS Limited. These pre-administration expenses have been incurred by Kinetica on a time cost basis, plus disbursements.

None of these expenses have been paid.

Pre-Administration Disbursements

No disbursements have been incurred in the lead up to the Administration.

Work Done

In the lead up to the Administration work was carried out by the Joint Administrators and their appointed agents with respect to preparing a valuation of the business and marketing it for sale. We liaised with interested parties and a sale was agreed and progressed to a late stage. Had the sale completed it would have resulted in enhanced realisations and a higher return for creditors, therefore the Joint Administrators consider that it was in the best interests of creditors that this work was carried out.

Other Persons Entitled to Claim

We are unaware of any additional costs incurred by any other professionals qualified to act as an insolvency practitioner in respect of the Company. Should any such claims subsequently come to light, they will be dealt with in the manner provided for by the Insolvency Rules.

Not Part of the Administrators' Proposals

Please note that our request for the payment of unpaid pre-administration costs as an expense of the administration is subject to approval under Rule 2.67(A) of the Insolvency Rules 1986 and does not form part of our proposals to creditors for the conduct of the administration.

Approval

As detailed in the Proposal document, a meeting of creditors is not being convened. As a result, it will be for the charge holder and preferential creditors to approve pre-appointment fees and expenses and category 2 expenses.

As detailed in the Proposal document, a meeting of creditors is not being convened. As a result, it will be for the charge holder and preferential creditors to approve pre-appointment fees and expenses and category 2 expenses.

Time Entry - SIP9 Time & Cost Summary

6001210 - MEH Facilities Limited
All Pre Appointment Project Codes
To 03/05/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	20.70	1.00	46.00	0.50	68.20	22,117.50	324.30
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	2.50	0.00	2.50	437.50	175.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment	0.00	0.00	0.00	0.40	0.40	38.00	95.00
Realization of Assets	0.00	0.00	10.40	0.00	10.40	1,820.00	175.00
Trading	0.00	0.00	1.50	0.00	1.50	262.50	175.00
Total Hours	20.70	1.00	60.40	0.90	83.00	24,675.50	297.30
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Appendix V

MEH Facilities Limited (In Administration)

Information relating to Joint Administrators' Remuneration and Expenses and Fee Estimate

MEH Facilities Limited

Information relating to the Joint Administrators' Fees and Expenses

1. Overview of Case

1 1. Appointment

We were appointed Joint Administrators on 3 May 2016 following an application by the qualifying floating charge holder, ABN Amro Commercial Finance Limited

1 2. Strategy

As the sale to AJS Limited fell through and no other credible interested parties came forward and the Company had no way of funding a period of trading, the Joint Administrators had no option but to cease trading immediately upon their appointment

1 3. Staffing

The staff that it is anticipated will be used on this assignment together with their current hourly charge out rates are outlined on the attached Fee Estimate

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake. The sale of the business was particularly complex and required extensive involvement of the Administrators and senior staff

1 4. Existing fee arrangements

There are no existing fee arrangements

1 5. Anticipated return to creditors

ABN Amro Commercial Finance Limited holds an assignment of the Company's book debts and work in progress. It is anticipated that there will be a shortfall to ABN

Based on current information there will be insufficient realisations to enable a return to the preferential and unsecured creditors

2 Explanation of office-holders charging and disbursement recovery policies

2 1. Time recording

As confirmed in Quantuma LLP's Schedule of Current Charge Out Rates & Chargeable Disbursements ("the Schedule"), work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge out rates can be accessed at the Schedule which will be provided free upon request or can be downloaded from http://www.quantuma.com/uploads/1/6/1/1/16116268/quantuma_time_and_rates2.pdf

2 2. Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements

External supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Quantuma LLP and then recharged to the estate, approval from creditors is not required.

Examples of category 1 disbursements include specific bond insurance, insurance of assets, travel (other than mileage), external room hire, stationery, storage retrieval and postage.

Category 2 disbursements

These include elements of shared or allocated costs incurred by Quantuma LLP and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance.

Category 2 disbursements charged by Quantuma LLP can be reviewed on the Schedule referred to above.

3. Description of work carried out

3.1 Pre-appointment

Full details of our pre-appointment costs are set out separately in Appendix IV.

3.2 Post-appointment

To date a total of 78 hours have been spent carrying out the work outlined above in the Administration. Total time costs to date are £17,231.50 charged at an average charge out rate of £220.21.

I attach a summary of time costs incurred to date by reference to grade of staff and work done for creditors' information.

4. Fee & Expense Estimate

It is not anticipated that there will be sufficient realisations to allow the Joint Administrators to recover their time costs in full and are therefore we are proposing to be remunerated on the basis of a fixed fee in the sum of £20,000 plus 30% of any realisations from investigations or any unknown assets.

It will be for the secured and preferential creditors to approve the basis of the Joint Administrators' remuneration and therefore this is provided to unsecured creditors for their information only.

The disclosure that we make should allow those being asked to approve the basis of our remuneration to understand:

- The work the Joint Administrators anticipate will be done and why that work is necessary,
- The anticipated cost of that work, including any expenses expected to be incurred in connection with it.

Sufficient information about the insolvency appointment should be provided to enable an informed judgement about the reasonableness of the request for fees. Payments to the Joint Administrators and expenses incurred should be fair and reasonable reflections of the work necessarily and properly undertaken.

There are certain tasks that must be carried out on all Administrations. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still have to be carried out.

Examples of such tasks that it is anticipated will arise on this Administration are as follows:

Administration and Planning

Administration & Planning
Statutory and General Notifications & Filing e.g. Advertising the appointment, undertaking statutory notifications to Companies House, HMRC, the Pension Protection Fund, preparing the documentation and dealing with other notification of appointment
Obtaining a specific penalty bond
Recovering & Scheduling the company's books and records
Setting up electronic case files and electronic case details on IPS
General Administration - Dealing with all routine correspondence and emails relating to the case
Case strategy & completing file reviews at 1 month, 3 months & 6 months
VAT & Corporation Tax matters and returns

Creditors

ERA - completing documentation for submission to the Redundancy Payments Office ("RPO") and liaising with the RPO regarding employee claims
Employees - obtaining information from records about employee claims and dealing with employee correspondence/calls regarding their claims
Dealing with creditor correspondence, emails and telephone conversations
Final Reports
Notice of Intended Dividend - issuing a notice of intended dividend to creditors and advertising where appropriate
Creditors' Meeting
Secured Creditor Reports/Claims
Progress Reports
Initial Appointment Notification to Creditors - Preparing the documentation & sending out initial appointment notification to creditors
SIP 16 Disclosure
Para 49 Administrators' Proposals
Para 53 Report of Initial Meeting/Deemed Approval Documentation

Investigations

CDDA Reports - Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act

Cashiering

Opening, maintaining and managing the Liquidators' cashbook and bank account
Dealing with cheque requisitions
Dealing with deposit forms
Bank Reconciliations
Preparing & Filing statutory Receipts & Payments accounts

Closing Procedures

Filing final statutory returns at Companies House/Court

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate, any additional work undertaken, or proposed to be undertaken, the hourly rates proposed for each part of the work, and the time that the additional work

is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

We have also provided details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Time Entry - SIP9 Time & Cost Summary

6001210 - MEH Facilities Limited
All Post Appointment Project Codes
To: 27/06/2016

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	27.95	1.50	22.10	2.80	54.15	13,594.50	250.87
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.00	1.40	1.40	183.00	116.43
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.20	14.80	1.70	16.50	2,758.00	187.00
Investigations	0.00	0.10	0.00	4.50	4.60	447.50	97.28
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	1.60	0.00	1.60	280.00	175.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	27.95	1.80	38.30	10.20	78.25	17,231.50	220.21
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

MSH FACILITIES LIMITED - IN ADMINISTRATION

FEE ESTIMATE

The office holders are seeking to be remunerated on a mixture of a fixed fee basis and a % basis depending upon the type of work being undertaken. Details as to the basis on which the office holder will be remunerated for each category of work is set out below.

Where remuneration is to be charged on a fixed fee or % basis then the proposed amount of the fixed fee or the % to be charged will be set out in the section dealing with the relevant category of work.

ADMINISTRATION & PLANNING

Note: The office holders are to be remunerated for undertaking this category of work on a fixed fee basis.

Description of the Work to be undertaken

FP3/ Statutory and General Notifications & Filing e.g. Advertising the appointment, undertaking statutory notifications to Companies House, HMRC, the Pension Protection Fund, preparing the documentation and dealing with other notification of appointment
Obtaining a specific penalty bond
Recovering & scheduling the company's books and records
Setting up electronic case files and e-electronic case details on IFS
Case strategy & completing the reviews at 1 month, 3 months & 6 months
Completion & filing of VAT and CT Returns

Amount of fixed fee

£4,000.00

CREDITORS

Note: The office holders are to be remunerated for undertaking this category of work on a fixed fee basis.

Description of the Work to be undertaken

Employee correspondence/calls regarding their claims
Completing documentation for submission to the Redundancy Payments Office
Working with the Redundancy Payments Office regarding employee claims
Preparing the documentation and dealing with the initial appointment notification to creditors
Dealing with creditor correspondence, emails and telephone conversations
Completing Proposed Report
Final Report
Progress Report

Amount of Fixed Fee

£10,000.00

INVESTIGATIONS

Note: The office holders are to be remunerated for undertaking this category of work on a fixed fee basis.

Description of the Work to be undertaken

SIP 2 - Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.
Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.

Amount of fixed fee

£4,000.00

CASHERING

Note: The office holders are to be remunerated for undertaking this category of work on a fixed fee basis.

Description of the Work to be undertaken

Opening, maintaining and managing the Liquidator's cashbook and bank account.
Dealing with cheque requirements
Dealing with deposit forms
Bank Reconciliations
Preparing & filing statutory Receipts & Payments Accounts

Amount of Fixed Fee

£1,000.00

CLOSING

Note: The office holders are to be remunerated for undertaking this category of work on a fixed fee basis.

Description of the Work to be undertaken

Advertising the final meeting
Holding the final meetings & preparing minutes
Filing final returns at Companies House and for Court

Amount of Fixed Fee

£1,000.00

TOTAL FIXED FEE BASIS REMUNERATION REQUESTED

£23,000.00

ASSET REALISATION

It is currently believed that there are minimal assets to realise within the case. However in the event that it is found that this is not the case the proposed office holders are to be remunerated for this category of work on the basis of 30% of gross asset realisations achieved.

INVESTIGATIONS

It is currently believed that there are no pre appointment transactions i.e. antecedent transactions, that will require pursuit by the office holders. However in the event that it is found that this is not the case, the office holders are to be remunerated for the work that they carry out investigating and pursuing the transactions on the basis of 30% of gross realisations achieved.

MEH FACILITIES LIMITED IN ADMINISTRATION

Estimate of expenses to be incurred

Category of work	Nature of expense to be incurred	Estimated amount of expense to be incurred £
Administration & Planning		
	Specific penalty bond	135.00
	Gazette notice of appointment	79.40
	Collection of books and records	<u>150.00</u>
Sub total for administration		364.40
Creditors		
	Copying *	173.00
	Postage	<u>224.00</u>
Sub total for reporting to creditors		397.00
Investigations		
	Solicitors' advice costs	<u>-</u>
Sub total for investigations		-
Realisation of assets		
Sub total for realisation of assets		<u>-</u>
Closing		
Sub total for closing		<u>-</u>
Total:		<u><u>397.00</u></u>

Note: Category 2 Disbursements are marked with an asterisk *

Note. This estimate has been provided to creditors at an early stage of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holders' current knowledge of the case and so does not take into account any unknown complexities or difficulties. If this estimate is exceeded, or is likely to be exceeded, the office holders will provide an explanation to the creditors in the first report to creditors and provide a revised estimate.

Rule 2.37

Creditor's request for a meeting

Name of Company MEH Facilities Limited	Company number 06827459
In the High Court, Chancery Division, Companies Court (full name of court)	Court case number 2363 of 2016

(a) Insert full name and address of the creditor making the request

I (a)

(b) Insert full name and address of registered office of the company

request a meeting of the creditors of (b)
MEH Facilities Limited

14th Floor, Dukes Keep
Marsh Lane
Southampton
SO14 3EX

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and address(es) of creditors concurring with the request (if any) and their claims in the administration if the requesting creditor's claim is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of ~~CONCURRENCE~~

(e) Insert details of the purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated
