



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 9 0 6 7 3 6 3

Company name in full Paranoid Expedition Engineering Ltd

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Matthew Douglas

Surname Hardy

3 Administrator's address

Building name/number The Silverworks

Street 67 -71 Northwood Street

Post town Birmingham

County/Region West Midlands

Postcode B 3 1 T X

Country

4 Administrator's name ①

Full forename(s) Andrew

Surname Turpin

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number The Silverworks

Street 67 -71 Northwood Street

Post town Birmingham

County/Region West Midlands

Postcode B 3 1 T X

Country

② Other administrator
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	1	d	3	m	0	m	1	y	2	y	0	y	2	y	3
To date	d	1	d	2	m	0	m	7	y	2	y	0	y	2	y	3

7 Progress report☒ I attach a copy of the progress report**8** Sign and dateAdministrator's
signature

Signature

X

M. D. Hardy

X

Signature date

d	1	d	0	m	0	m	8	y	2	y	0	y	2	y	3
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AM10

Notice of administrator's progress report



Presenter information

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

Contact name **Helen Taylor**

Company name **Poppleton & Appleby**

Address **The Silverworks**
67 - 71 Northwood Street

Post town **Birmingham**

County/Region **West Midlands**

Postcode **B 3 1 T X**

Country

DX

Telephone **0121 200 2962**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Paranoid Expedition Engineering Ltd Trading As Paranoid Industries
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 13/01/2023 To 12/07/2023 £	From 13/01/2021 To 12/07/2023 £
	FIXED CHARGE COSTS		
(105,000.00)	ART Share	NIL	NIL
(184,280.00)	Birmingham City Council	NIL	NIL
		NIL	NIL
	H.P. ASSETS		
5,500.00	Colchester Student Lathe	NIL	7,200.00
(3,144.55)	White Oak HP	NIL	(3,144.55)
24,000.00	JCB Telescopic Handler	NIL	21,500.00
(13,776.03)	White Oak HP	NIL	(13,776.03)
Uncertain	Trumpf TruLaser/ TruBend	NIL	NIL
(463,000.00)	Trumpf	NIL	NIL
60,660.11	Absolute Arm	NIL	NIL
(69,134.04)	Armada Asset Finance	NIL	NIL
	Third Party Assets	NIL	5,150.00
	Mr S Glass	NIL	(5,150.00)
		NIL	11,779.42
	ASSETS NOT PLEDGED		
Uncertain	Cash at Bank	NIL	11,997.13
21,150.00	Plant & Machinery	NIL	21,500.00
Uncertain	Rent Deposit	NIL	NIL
45,000.00	Tools & Equipment	NIL	45,771.00
		NIL	79,268.13
	COST OF REALISATIONS		
	Agents Costs	NIL	22,123.00
	Bank Charges & Interest	NIL	12.80
	Insurance	NIL	361.76
	Joint Administrators' Fees	NIL	33,800.00
	Motor Expenses	NIL	121.50
	Other Professional fees	NIL	250.00
	Petition Costs	NIL	24,000.00
	Pre Appointment Agent Costs	NIL	2,999.00
	Re-Direction of Mail	NIL	216.00
	Rent & Rates	NIL	3,938.26
	Search Fees	NIL	26.00
	Solicitors Fees	1,999.00	1,999.00
	Specific Bond	NIL	189.60
	Stationery, Printing & Carriage	NIL	161.63
	Statutory Advertising	NIL	184.00
	Storage Costs	NIL	24.14
		(1,999.00)	(90,406.69)
	SECONDARY PREFERENTIAL CREDITORS		
(11,997.13)	HMRC - PAYE / NI	NIL	NIL
Uncertain	HMRC - VAT	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(17,326.00)	Consumer Creditors	NIL	NIL
(77,653.37)	Funding Circle	NIL	NIL
(50,000.00)	HSBC Bank Plc	NIL	NIL
(243,719.53)	Loan Accounts (Director/Shareholder)	NIL	NIL
(48,696.02)	PEAC Finance	NIL	NIL
(208,562.46)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL

Paranoid Expedition Engineering Ltd Trading As Paranoid Industries
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 13/01/2023 To 12/07/2023 £	From 13/01/2021 To 12/07/2023 £
DISTRIBUTIONS			
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(1,340,079.02)		(1,999.00)	640.86
REPRESENTED BY			
	Estate Bank A/c Non Interest Bearing		260.86
	VAT Input		380.00
			640.86

M. D. Hardy

Matthew Douglas Hardy
Joint Administrator

Private and Confidential

**JOINT ADMINISTRATORS' PROGRESS REPORT
TO ALL KNOWN CREDITORS**

P8I/MDH/AT/DM/HLT/JS/LG

9 August 2023

Dear Sir/Madam

**Paranoid Expedition Engineering Ltd Trading As Paranoid Industries ("the Company")
In Administration
In the High Court of Justice - Birmingham Number 000003 of 2021**

This is our report on the progress of the Administration of the Company for the six month period from 13 January 2023 to 12 July 2023. The report should be read in conjunction with our previous reports.

We attach at **Appendix A** statutory information we are required to provide.

EXECUTIVE SUMMARY

The objective of the Administration is to realise property in order to make a distribution to one or more Secured or Preferential Creditors, which we believe has been achieved.

A return to Preferential Creditors in this matter may be available, subject to our ongoing enquiries into the Company's affairs. We currently do not anticipate that there will be a distribution to Fixed charge, Floating charge or Unsecured Creditors.

On 1 December 2021, the Creditors agreed to extend the Administration of the Company for a period of 12 months, such that the Administration was due to automatically end on 12 January 2023. A further extension was deemed required to allow further time to progress investigations and pursue finance options in relation to outstanding amounts due to the Company. A further 12 month extension was sought and gained via a Court application. The Administration is now due to automatically end on 12 January 2024.

As a result, and due to the continuing investigations in this matter, the exit of the Administration is likely to be via a Compulsory Winding Up Order, with the Joint Administrators making the application via the Court.

The Joint Administrators act jointly and severally and any function may be exercised by them acting jointly or alone. I would advise you though, that the day to day conduct of the Administration rests with myself, Matthew Douglas Hardy.

JOINT ADMINISTRATORS' ACTIONS SINCE LAST PROGRESS REPORT

Employees / Pension

As advised, at the date of our appointment, the Company had no employees, other than the Directors, themselves.

continued



The Company had, however, previously employed staff and contributed to a pension scheme on behalf of the employees. A claim for unpaid contributions has been made on behalf of the employees from the Redundancy Payments Service ("RPS"), for any amounts deducted and Company contributions not paid over to the pension scheme, for a 12 month period prior to the date of my appointment.

The claim was processed, payment made to the Pension provider and a schedule provided to the Pension provider, to allow the Pension provider to allocate the payment made by the RPS.

The Pension provider has now proceeded to close the pension scheme and wind the fund up.

Investigations

As you are aware, the Administration appointment was made via a Court Order, we did not have the benefit of having all of the required information prior to our appointment.

Given the continued uncertainty relating to the Company's full financial affairs, other than the statutory work we are obliged to undertake, the continued work undertaken since our last report has mainly been on an investigatory and pursual basis. As previously advised, it would seem that the Company appeared to have ceased trading some considerable time prior to our appointment. We have continued to piece together the events and the extent, if any, to which the Company traded between December 2019 and the Administration Order.

We had previously instructed Alan Meiklejohn of Harrison Clark Rickerbys Limited ("HCR"), Solicitors, to undertake work and provide legal advice to the Joint Administrators, in relation to investigatory matters and to liaise with the Directors' legal representative, where applicable, which has continued during the reporting period. We were hopeful that this would lead to realisations, but this has not been the case during the reporting period.

Administration and Planning

There is certain work that we are required by the insolvency legislation to undertake in connection with the Administration that provides no financial benefit for the Creditors. This includes reviewing the adequacy of our bond, preparing progress reports and undertaking periodic reviews of the case. A description of the routine work undertaken since our last progress report is contained in **Appendix B**.

RECEIPTS AND PAYMENTS ACCOUNT

Our Receipts and Payments Account for the period from 13 January 2023 to 12 July 2023, together with a cumulative period, 13 January 2021 to 12 July 2023, is attached at **Appendix C**.

All amounts are shown net of VAT. We have reconciled the account against the financial records that we are required to maintain. The balance of funds are held in a non-interest bearing estate bank account. No additional realisations have been made during the reporting period.

ASSETS

Assets Subject to Fixed Charges

There have been no assets realised that would fall under a Fixed Charge in this matter during this reporting period.

Assets Specifically Pledged

There have been no assets realised that would fall under this category during this reporting period.

Third Party Owned Assets

There have been no assets realised that would fall under this category during this reporting period.

Assets Subject to Floating Charges

There have been no assets realised that would fall under this category during this reporting period.

continued



Unrealised/Unsold Assets

We believe that all tangible assets have now either been realised, sold or returned to the respective stakeholders. We are not aware of any other assets that remain unrealised at this time.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

As advised previously and above, there are matters that have required further investigation, which may lead to potential recovery actions for the benefit of the creditors.

We identified the following areas where we considered that further investigation was required:-

- Payments to associates during 2020;
- The application and utilisation of grants and loans obtained in relation to Covid 19.

We continue to try and establish the events and the extent, if any, to which the Company traded between December 2019 and the Administration Order, with requests for information from various stakeholders continuing, with the assistance of our instructed Solicitors, HCR.

The outcome of such investigations continues and will be reported upon further once our investigations have been drawn to a conclusion.

Certain matters for investigation may require considerable costs to be incurred, that may not produce a result for the benefit of the Creditors. As advised previously, we may require Creditors to help fund such matters, as currently we have limited funds available within the Administration. A request was made to the Secured creditors in this regard to assist with funding to pursue matters further, in relation to the investigations made to date. No funding was forthcoming from this avenue of enquiry.

We previously approached a litigation funder to consider whether there was any merit in selling the cause(s) of action. An offer was received from the funder at the time, although we did not consider the offer to be sufficiently attractive and sought an alternative course of action with our Solicitors.

We continue to engage with our Solicitors in relation to this alternative course of action but may reserve our position to renew discussions with the litigation funder if a satisfactory conclusion cannot be reached.

PRE-ADMINISTRATION COSTS

As the Joint Administrators' appointment was made by order of the Court, we did not need to seek Creditors' approval of our pre appointment costs or those of the Petitioning Creditor, as these are included within the Administration Order. Pre-administration fees incurred by Poppleton & Appleby of £5,973 plus VAT and disbursements are yet to be paid.

Pre-Administration fees charged by Neil Davies & Partners, who are Solicitors that served notices, prepared witness statements and filed documents to secure the Joint Administrators' appointment, in the contested application, have been paid and agreed at £24,000 in total. No further pre-Administration fees will be payable to Neil Davies & Partners.

As previously advised, there were certain pre-appointment costs that may not have fallen under the Administration Order. As a result, on 25 March 2021 the following pre-administration costs were approved by the Creditors.

Pre-administration fees charged by Kumar & Co, independent agents, for the attendance and consideration of asset values and securing assets, incurred £2,999 plus VAT and disbursements, and these costs have been paid in full, as detailed in the attached Receipts and Payments Account.

continued



PROFESSIONAL FEES

Details of the payments made in respect of professional fees and disbursements in relation to work done in the Administration are included in the Receipts and Payments Account at **Appendix C**, whilst details of budgeted professional fees and disbursements are summarised at **Appendices D and E**.

Raj Kumar of Kumar & Co, assisted with the evaluation of the assets and coordinating and dealing with the individual items, lotting up and preparing sales information for the online auctions. This firm was instructed to continue their instruction due to their considerable expertise in distressed sale situations.

Neil Davies of Neil Davies and Partners, a firm of Solicitors, were instructed to undertake work and advise the Joint Administrators on an ad hoc basis during the Administration, particularly in relation to negotiations with Trumpf and to dismiss the Petition to compulsorily wind up the Company. They have confirmed that they hold adequate Professional Indemnity Insurance. The firm was engaged due to their extensive knowledge of all insolvency matters, following appointment. As the Administration progressed and investigations into the Company continued, it was agreed that Neil Davies and Partners could be conflicted on certain matters, due to previously advising one of the Directors prior to making of the Administration Order.

As a result, Alan Meiklejohn of HCR, Solicitors, has since been instructed to undertake work and provide legal advice to the Joint Administrators, in relation to investigatory matters and to liaise with the Directors' legal representative, where applicable. They have confirmed that they hold adequate Professional Indemnity Insurance. The firm was instructed due to their extensive knowledge of all insolvency matters.

The work undertaken by the various professionals provides a direct benefit to Creditors, particularly the work of Kumar & Co, where realisations achieved will result in a return to Preferential Creditors. The work of Neil Davis & Co may serve to mitigate claims in the proceedings and the work of HCR may provide further opportunities to enhance realisations.

An independent investigator was instructed to carry out further searches in relation to the Directors of the Company, as a further avenue into our investigations. An amount of £250 plus VAT was previously paid to that investigator in this regard.

The choice of professionals used 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. We also confirmed that they hold appropriate regulatory authorisations. We have reviewed the fees they have charged and we are satisfied that they are reasonable in the circumstances of this case.

JOINT ADMINISTRATORS' EXPENSES

Expenses are any payments from the estate which are neither an Office Holder's remuneration nor a distribution to a Creditor or a Member.

Expenses are payments which are first met by the Office Holder and then reimbursed to the Office Holder from the estate.

Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the Office Holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an Office Holder's remuneration.

continued



We have incurred total expenses of £1,323 to 12 July 2023, of which £9 has been incurred during the reporting period, 13 January 2023 to 12 July 2023. We have drawn a total of £1,300 during the Administration, although no expenses have been drawn during this reporting period.

Details of the payments made in respect of our Category 1 and Category 2 disbursements are included in the Receipts and Payments Account at **Appendix C** and at **Appendix E**.

We are required to seek approval before we can pay any expenses to associates, or pay expenses where there is an element of shared costs, which are known as category 2 expenses. We obtained approval to pay the category 2 expenses by way of a Virtual Meeting of Creditors held on 25 March 2021.

As you can see within the appendices, the total expenses we have incurred are currently lower than the total expenses we estimated we would incur when our remuneration was approved. The reasons for this are that the storage charges accrue on a quarterly basis and will have to be retained for 15 months following the Administration closure.

JOINT ADMINISTRATORS' REMUNERATION

Our remuneration was approved on a time cost basis, based on a fees estimate of £48,782. The fees estimate acts as a cap and we cannot draw remuneration in excess of that estimate without first seeking approval from the Creditors.

Our time costs for the period 13 January 2023 to 12 July 2023 totals £2,440, representing 11 hours at a blended rate of £224. Total time costs for the whole Administration to 12 July 2023 amounts to £86,797, representing 372 hours work at a blended charge out rate of £233 per hour.

To date, we have drawn £33,800 plus VAT to 12 July 2023, no further fees have been drawn during this reporting period.

A detailed schedule of our time costs incurred in the current reporting period, as well as the entire Administration, are attached as **Appendix F**.

As you can see from the information provided in this report, the total time costs we have incurred in this matter, in respect of the categories of work for which we are being remunerated on a time cost basis, have exceeded the total estimated remuneration we set out in our fees estimate when our remuneration was authorised by the creditors. However, we have not drawn remuneration in excess of our fees estimate.

The actual blended charge out rate incurred is higher than the estimated blended charge out rate of £209 in our fees estimate. There is a difference in the blended rate charged, compared with the estimated blended rate because additional time has been spent dealing with the landlord and utility providers, investigations into the Company and transactions which have taken place and limited assistance and information being provided by the Directors in relation to the Company. There has also been a requirement for the senior manager and partner to be more involved in these matters than had initially been envisaged.

The reasons our time costs have exceeded the fees estimate are noted below under the following categories:-

Administration:

This represents the work that is involved in the routine administrative functions of the case by the Office Holder and their staff, together with the control and supervision of the work done on the case by the Office Holder and their managers.

It does not give direct financial benefit to the Creditors, but has to be undertaken by the Office Holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that Office Holders must follow.

continued



Due to the two extensions of the Administration, more work has been undertaken to prepare further progress reports and undertake periodic reviews of the case, bond, ethics and the independence of the administrators.

Investigations:

The insolvency legislation gives the Office Holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The Office Holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of Creditors and the time costs recorded represent the costs of undertaking such an initial investigation.

If potential recoveries or matters for further investigation are identified then the Office Holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to Creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the Creditors and the Office Holder will provide an estimate of that benefit if an increase in fees is necessary.

As such we have continued our enquiries into the Company's affairs and have continued to liaise with the instructed solicitor assisting in such matters that we believe may be of benefit to the creditors. These investigations have increased the time costs originally estimated and the Office Holder is unable to quantify the benefit to Creditors of these investigations at present.

Realisation of Assets:

This is the work that needs to be undertaken to protect and then realise the known assets of the Company. As advised, the asset realisation took longer than first estimated due to the difficulties experienced in gaining access to the items and verifying the various claims of ownership received, which have been dealt with. The physical assets have been realised.

Creditors:

The Office Holder needs to maintain up to date records of the names and addresses of Creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the Creditors. Additional time has been spent dealing with Creditors enquires and correspondence compared with the original estimate and continue to be dealt with as and when received.

Whilst our investigation work is ongoing, we remain unable to estimate if there will be any realisations made in this regard. We do not currently envisage being able to pay a dividend to the fixed or floating charge creditors or unsecured creditors because of the level of the costs and expenses of the Administration incurred to date.

We may seek approval to increase our fees estimate in line with the increased time costs spent dealing with these additional matters in due course, should the additional work lead to further asset recoveries and the realisations warrant an uplift in remuneration.

There is certain work that we are required to undertake in order to meet our requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice, that we must follow in connection with the Administration, that provides no financial benefit for the Creditors.

A description of the routine work undertaken since our appointment as Administrator is contained in **Appendix B**.

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.creditorinsolvencyguide.co.uk/>.

continued



Details about how an Office Holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.poppletonandappleby.co.uk/creditors-area/. There are different versions of these Guidance Notes, and you should refer to the most recent version.

A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows Poppleton & Appleby's fee policy are available at the link www.poppletonandappleby.co.uk, and choose the following options: Creditors Login, Creditors' Guidance Notes, Effective from April 2021– A Creditors' guide to fees charged by Administrators, as well as the Practice Fee Recovery for Poppleton and Appleby Disclosure – Fee Policy.

OUTCOME FOR CREDITORS

Secured Fixed Charge Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company had granted the following charges:-

Art Share (Social Help Association for Reinvesting in Enterprise) Limited ("Art")

Art holds a Fixed and Floating Charge, which covers all the property or undertaking of the Company, created 9 June 2016 and registered 10 June 2016. An amount of £105,000 remained outstanding at the date of our appointment. It is estimated that Art will suffer a shortfall in this regard.

Birmingham City Council ("BCC")

BCC holds a subordinate Fixed and Floating Charge, by date of registration, which also covers all of the property or undertaking of the Company. The charge was created on 30 May 2019 and registered on 6 June 2019. An amount of £184,280 remains outstanding under this charge and it is estimated that BCC will also suffer a shortfall in this regard.

There is no prospect of a dividend to either of the Fixed Charged Creditors.

Preferential Creditors

Primary Preferential Creditors - relate to former employees of the Company for unpaid wages, holiday pay and unpaid employee pension contributions.

Since appointment, we have not been made aware of any outstanding employee claims which are to be made against the Company for unpaid wages and holiday pay. These claims, should there be any, would be subject to a maximum limit set by the insolvency legislation.

We became aware that there were outstanding employee pension contributions. A claim for outstanding contributions may be made on behalf of the former employees from the Redundancy Payment Service. As above there is a maximum limit set by the insolvency legislation and as such only contributions outstanding for a period of 12 months prior to the Insolvency event may be claimed.

We made the necessary claim on behalf of the former employees to the RPS. This has been processed and paid to the Pension provider. A schedule has been completed to allow the Pension provider to allocate the payment made by the RPS.

We have since been advised that this amount has been received by the Pension provider from the RPS and the Company pension scheme is proceeding to be closed.

Secondary Preferential Creditors – being HM Revenue and Customs ("HMRC") for certain specified debts, such as VAT, PAYE, employee National Insurance Contributions, student loan deductions and Construction Industry Scheme deductions.

continued



Secondary preferential debts are payable after all ordinary preferential debts have been paid in full, and before non-preferential unsecured debts.

The Directors advised that an outstanding amount was due to HMRC in respect of PAYE/NIC only, in the sum of £11,997. HMRC may have additional secondary preferential claims with regards to unpaid VAT, although the Directors did not believe that any VAT is due. We have recovered correspondence from the Company's former premises that includes an assessed claim for VAT from HMRC for non-submission of VAT returns. We therefore noted any potential claim for VAT as uncertain within the Statement of Affairs. We are still yet to determine this figure and have not received a final claim from HMRC in respect of either of these potential secondary preferential claims.

It is likely that a small dividend may become payable to Preferential Creditors in this regard, but this is wholly dependent upon the outcome of our investigations and future recoveries from the Directors, or the sale of the actions to a third party funder.

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 or £800,000 for charges created after 6 April 2020.

The Company granted Floating Charges to Art and BCC on 9 June 2016 and 30 May 2019, respectively, and the prescribed part provisions will apply. Based upon realisations achieved to date and costs incurred, there are insufficient realisations available to enable a prescribed part distribution to be calculated.

However, if there are further realisations as a result of my investigations or additional assets that come to our attention, we will reconsider the potential of the prescribed part and revert to Creditors accordingly.

Floating Charge Creditors

There is currently no prospect of a dividend to Floating Charge Creditors in this regard, as noted above.

Non-Preferential Unsecured Creditors

The statement of affairs included 42 Non-Preferential Unsecured Creditors with an estimated total liability of £645,957. We have received claims from 24 Creditors at a total of £484,040. We have not received claims from 18 Creditors with original estimated claims in the Statement of Affairs of £263,893.

We have received claims that were not originally included within the estimated Statement of Affairs and claims which are lower than had been first indicated. This would appear to be a result of incomplete information being obtained in relation to the Company's Creditors.

The costs / expenses incurred to date, as noted within this report and on the face of the Receipts and Payments Account attached are general costs of the Administration that are not directly attributable to the realisation of the Company's charged assets.

As previously advised, the Company granted floating charges to ART Share and Birmingham City Council on 9 June 2016 and 30 May 2019, respectively, and the prescribed part provisions will therefore apply.

continued



On the basis of realisations to date, together with estimated future realisations, and after taking into account the costs of the Administration, it is currently estimated that there will be no net property available to calculate a prescribed part for the benefit of the Unsecured Creditors.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Poppleton & Appleby can be found at www.poppletonandappleby.co.uk/creditors-area/.

As advised above, the Administration was initially extended for a period of 12 months, by way of a Deemed Consent Procedure, as well as Secured Creditor consent.

A further extension was gained via an Order of the Court for a further 12 months and is now due to expire on 12 January 2024.

SUMMARY

The potential actions against the Directors remain ongoing. We are now unable to extend the Administration further, as there is currently no prospect of a dividend to the unsecured creditors.

We intend to exit the Administration by petitioning the Court to compulsorily Wind Up the Company. This will result in the Administration being converted into a Compulsory Liquidation and, in accordance with the approved Joint Administrators' proposals, I, Matthew Douglas Hardy, may be appointed as sole Liquidator.

We will now therefore be petitioning for the winding up order, to place the Company into Compulsory Liquidation prior to the automatic expiry of the Administration, being 12 January 2024.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available online, they should contact my office by email at info@poppletonandappleby.co.uk, or by phone on 0121 200 2962.

Yours faithfully

Matthew Douglas Hardy
JOINT ADMINISTRATOR

The affairs, business and property of the Company are being managed by the Joint Administrators, Matthew Douglas Hardy and Andrew Turpin. The Joint Administrators act as agents of the Company and contract without personal liability.

STATUTORY INFORMATION

Company name:	Paranoid Expedition Engineering Ltd
Formerly known as:	Not applicable
Trading name:	Paranoid Industries
Court name and reference:	High Court of Justice Birmingham 000003 of 2021
Registered office:	The Silverworks 67 - 71 Northwood Street Birmingham B3 1TX
Former registered office:	Union House New Union Street Coventry CV1 2NT
Registered number:	09067363
Joint Administrators' names:	Matthew Douglas Hardy and Andrew Turpin
Joint Administrators' address:	The Silverworks 67 - 71 Northwood Street Birmingham West Midlands B3 1TX
Joint Administrators' date of appointment:	13 January 2021
Actions of Joint 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.
Extensions to Administration:	12 month extension obtained by way of a Deemed Consent Procedure and Secured Creditor consent, to 12 January 2023. A Court Order made on 30 November 2022, extended the Administration of the Company for a period of 12 months, such that the Administration will now automatically end on 12 January 2024.

Routine work undertaken since our last progress report

1. Administration & Planning

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Preparing the documentation and dealing with administration.
 - Writing reports that takes account of statutory requirements and the requirements of Statement of Insolvency Practice 9 in particular.
 - Preparing schedules of work done to date and work proposed and explaining them to Creditors in the report.
 - Assessing the possible action that might be required to recover assets and considering the likely cost of that action.
 - Complete internal compliance documentation.
- Preparing documentation required.
 - Maintaining case folder(s).
 - Preparation and continued review of case checklist to ensure compliance on all statutory and best practice matters.
- Dealing with all routine correspondence, emails and telephone calls.
 - Includes correspondence with Creditors, Shareholders and other Stakeholders.
 - Internal correspondence between Insolvency Practitioner, managers and case administrators.
 - Deal with correspondence from Companies House.
 - Ensuring that a member of staff is generally available to deal with telephone queries.
 - Ensuring that email correspondence is dealt with within the Firm's response policy.
- Maintaining physical case files and electronic case details in our computerised systems.
 - Management of case diary onto bespoke software system.
 - Filing and scanning of electronic and written correspondence to relevant files.
- Review and storage.
 - Prepare and complete periodic case reviews, to include review on progression, ethics and independence checks.
 - Liaise with storage Agents in relation to books and records recovered from the Company.
 - Case bordereau reviews and maintenance.
- Case planning and administration.
 - Hold internal meetings to discuss case strategy and progression.
 - Drafting case notes to ensure strategy remains appropriate.
 - Overseeing and managing work conducted by case administrators.
- Preparing reports to interested parties.
 - Draft and circulate Progress report, convening a decision procedure (where necessary).
- Maintaining and managing the Administrators' cashbook and bank account(s).
 - Maintenance of cashier file.
 - Maintaining bespoke Administration bank account(s).
 - Review level of turnover on bank account(s).
 - Input of transactional data during the Administration.

- Review bank statements and complete bank reconciliations.
- Ensuring statutory lodgements and taxation affair obligations are met.
 - Preparation of statutory forms to Companies House, to include progress reports.

2. Creditors

Claims of creditors - the office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

- Dealing with Creditor correspondence, emails and telephone calls.
 - Attendance to queries within Firm policy timescales.
 - Maintaining Creditor information within our computerised systems.
- Preparing reports to Creditors and other interested parties.
 - Preparation and circulation of statutory reports to Creditors, Members and Stakeholders.

3. Investigations

- Reviewing books and records to identify any actions an Administrator may take against a third party in order to recover funds for the benefit of Creditors.
 - Matters that could bring rise to a summary remedy for misfeasance and misapplication of property.
 - Consider wrongful and/or fraudulent trading.
 - Consider Transactions at and Undervalue.
 - Consider Preferences.
 - Consider all other statutory remedies.

Paranoid Expedition Engineering Ltd Trading As Paranoid Industries
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 13/01/2023 To 12/07/2023 £	From 13/01/2021 To 12/07/2023 £
	FIXED CHARGE COSTS		
(105,000.00)	ART Share	NIL	NIL
(184,280.00)	Birmingham City Council	NIL	NIL
		NIL	NIL
	H.P. ASSETS		
5,500.00	Colchester Student Lathe	NIL	7,200.00
(3,144.55)	White Oak HP	NIL	(3,144.55)
24,000.00	JCB Telescopic Handler	NIL	21,500.00
(13,776.03)	White Oak HP	NIL	(13,776.03)
Uncertain	Trumpf TruLaser/ TruBend	NIL	NIL
(463,000.00)	Trumpf	NIL	NIL
60,660.11	Absolute Arm	NIL	NIL
(69,134.04)	Armada Asset Finance	NIL	NIL
	Third Party Assets	NIL	5,150.00
	Mr S Glass	NIL	(5,150.00)
		NIL	11,779.42
	ASSETS NOT PLEDGED		
Uncertain	Cash at Bank	NIL	11,997.13
21,150.00	Plant & Machinery	NIL	21,500.00
Uncertain	Rent Deposit	NIL	NIL
45,000.00	Tools & Equipment	NIL	45,771.00
		NIL	79,268.13
	COST OF REALISATIONS		
	Agents Costs	NIL	22,123.00
	Bank Charges & Interest	NIL	12.80
	Insurance	NIL	361.76
	Joint Administrators' Fees	NIL	33,800.00
	Motor Expenses	NIL	121.50
	Other Professional fees	NIL	250.00
	Petition Costs	NIL	24,000.00
	Pre Appointment Agent Costs	NIL	2,999.00
	Re-Direction of Mail	NIL	216.00
	Rent & Rates	NIL	3,938.26
	Search Fees	NIL	26.00
	Solicitors Fees	1,999.00	1,999.00
	Specific Bond	NIL	189.60
	Stationery, Printing & Carriage	NIL	161.63
	Statutory Advertising	NIL	184.00
	Storage Costs	NIL	24.14
		(1,999.00)	(90,406.69)
	SECONDARY PREFERENTIAL CREDITORS		
(11,997.13)	HMRC - PAYE / NI	NIL	NIL
Uncertain	HMRC - VAT	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(17,326.00)	Consumer Creditors	NIL	NIL
(77,653.37)	Funding Circle	NIL	NIL
(50,000.00)	HSBC Bank Plc	NIL	NIL
(243,719.53)	Loan Accounts (Director/Shareholder)	NIL	NIL
(48,696.02)	PEAC Finance	NIL	NIL
(208,562.46)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL

Paranoid Expedition Engineering Ltd Trading As Paranoid Industries
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 13/01/2023 To 12/07/2023 £	From 13/01/2021 To 12/07/2023 £
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(1,340,079.02)		(1,999.00)	640.86
	REPRESENTED BY		
	Estate Bank A/c Non Interest Bearing		260.86
	VAT Input		380.00
			640.86

MD Hardy

Matthew Douglas Hardy
Joint Administrator

APPENDIX D

Joint Administrators' Professional Costs

Firm	Scope	Agreed fee structure	Budgeted Costs b/f (£)	Professional Fees Incurred in previous periods (£)	Professional Fees Paid in previous periods (£)	Professional Fees Incurred in current period (£)	Professional Fees Paid in current period (£)	Further Fees Expected to be incurred (£)	Revised Budget (£)
Neil Davies & Partners**	To provide ad hoc legal advice with regards to the Administration as well as liaising with other professionals in relation to various matters	Time Costs and Disbursements	35,000	9,685	Nil	Nil	Nil	Nil	10,000
Kumar & Co	Assistance with securing, valuing, marketing and disposal of the Company's assets.	Time Costs and Disbursements	26,102	22,622	22,123	Nil	Nil	Nil	22,123
Harrison Clark Rickerbys Ltd	To provide legal advice with regards to the Administration as well as investigatory matters	Time Costs and Disbursements	10,000	8,751	Nil	Nil	1,999	1,249	10,000
Expert Investigations	Provide a report in connection with the Directors	Fixed fee	Nil	250	250	Nil	Nil	Nil	250
Totals			71,102	41,308	22,373	Nil	1,999	1,249	42,373

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

**Following the anniversary of the Administration, Neil Davies & Partners advised that they have an outstanding disbursement of £500 plus VAT in relation for Counsel's brief on hearing held in March 2021, we still await an invoice in relation to this cost. This amount has not been included within the professional fees summary above.

APPENDIX E

SCHEDULE OF JOINT ADMINISTRATORS' DISBURSEMENTS

Category 1 Disbursement	Budget b/f (£)	Amount incurred in previous reporting periods (£)	Amount paid in previous reporting periods (£)	Amount incurred in current reporting period (£)	Amount paid in current reporting period (£)	Further Disbursements Expected (£)	Budget c/f (£)
Statutory Advertising	276	184	184	Nil	Nil	92	276
Postage	212	162	162	Nil	Nil	50	212
Re-direction of Mail	216	216	216	Nil	Nil	Nil	216
Bond	190	190	190	Nil	Nil	Nil	190
Searches	26	26	26	Nil	Nil	Nil	26
Bank Charges	13	13	13	Nil	Nil	Nil	13
Insurance	362	362	362	Nil	Nil	Nil	362
Storage	517	26	12	9	Nil	500	535
Total	1,812	1,179	1,165	9	Nil	642	1,830

Category 2 Disbursement	Budget b/f (£)	Amount incurred in previous reporting periods (£)	Amount paid in previous reporting periods (£)	Amount incurred in current reporting period (£)	Amount paid in current reporting period (£)	Further Disbursements Expected (£)	Budget c/f (£)
Mileage	122	122	122	Nil	Nil	Nil	122
Storage*	13	13	13	Nil	Nil	Nil	13
Total	135	135	135	Nil	Nil	Nil	135

*Under guidance that came into force on 1 April 2021, storage can no longer be charged as a Category 2 expense. From 1 April 2021, only storage that can be classified as a category 1 expense, will be charged to the insolvent Estate.

Time Entry - Detailed SIP9 Time & Cost Summary

P81 - Paranoid Expedition Engineering Ltd
From: 13/01/2023 To: 12/07/2023
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 Administration & Planning	0.00	0.20	0.40	2.20	2.80	369.00	131.79
101 Case planning	0.00	0.00	0.20	0.00	0.20	45.00	225.00
105 Statutory reporting	0.00	2.80	3.20	0.30	6.10	1,517.00	248.69
107 Case Monitoring	0.10	1.30	0.00	0.00	1.40	418.50	298.93
Administration & Planning	0.10	4.10	3.80	2.50	10.50	2,349.50	223.76
502 Claims inc emp. prefs	0.00	0.00	0.40	0.00	0.40	90.00	225.00
Creditors	0.00	0.00	0.40	0.00	0.40	90.00	225.00
Total Hours	0.10	4.10	4.20	2.50	10.90	2,439.50	223.81
Total Fees Claimed						33,800.00	

Time Entry - Detailed SIP9 Time & Cost Summary

P81 - Paranoid Expedition Engineering Ltd
From: 13/01/2021 To: 12/07/2023
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 Administration & Planning							
101 Case planning	6.40	1.60	30.50	3.00	41.50	9,034.00	217.69
102 Administrative set-up	0.00	0.00	4.30	1.20	5.50	920.00	167.27
103 Appointment notification	0.00	1.40	0.00	0.00	1.40	350.00	250.00
104 Maintenance of records	0.00	0.30	0.00	0.00	0.30	75.00	250.00
105 Statutory reporting	0.00	0.00	1.30	12.10	13.40	1,264.00	94.33
106 Pre Appointment	3.40	26.10	49.50	5.20	84.20	19,287.50	229.07
107 Case Monitoring	0.00	0.00	0.00	0.20	0.20	16.00	80.00
	3.90	17.70	0.00	2.00	23.50	6,103.00	259.70
Administration & Planning	13.80	47.10	85.60	23.70	170.00	37,049.50	217.94
600 Case Specific							
601 Case Specific 1	0.00	2.90	0.60	0.00	3.50	839.00	239.71
	0.70	0.00	0.00	0.00	0.70	206.50	295.00
Case specific matters	0.70	2.90	0.60	0.00	4.20	1,045.50	248.33
500 Creditors							
501 Communication	7.40	19.60	11.10	0.00	38.10	9,432.50	247.57
502 Claims inc emp. orfs	0.00	11.30	1.60	0.00	12.90	3,183.50	246.78
503 Report/secured creditor	0.00	3.00	10.10	0.00	13.10	3,052.00	232.98
	0.20	12.70	0.00	0.00	12.90	3,387.00	262.56
Creditors	7.60	46.60	22.80	0.00	77.00	19,055.00	247.47
200 Investigations							
201 SIP 2 review	7.40	8.60	27.40	0.00	43.40	10,034.50	231.21
202 CDDA reports	0.00	4.80	4.50	0.00	9.30	2,055.00	220.97
203 Antecedent transactions	0.90	6.40	11.80	0.00	19.10	4,197.50	219.76
	0.00	2.20	0.00	0.00	2.20	649.00	295.00
Investigations	8.30	22.00	43.70	0.00	74.00	16,936.00	228.86
300 Realisation of assets							
301 Ident. securing, insuring	4.20	2.80	0.70	0.00	7.70	2,124.50	275.91
302 ROT	0.00	2.90	0.40	0.00	3.30	801.00	242.73
303 Debt collection	0.00	5.30	0.00	0.00	5.30	1,325.00	250.00
305 Legal matters	0.00	0.20	0.00	0.00	0.20	59.00	295.00
314 Creditors Meetings	5.40	14.10	8.50	0.00	29.00	8,008.50	276.16
	0.50	0.00	0.00	0.00	0.50	147.50	295.00
Realisations of Assets	11.10	25.30	9.50	0.00	46.00	12,465.50	270.99
403 On-going employee issues							
	0.70	0.00	0.00	0.00	0.70	245.00	350.00
Trading	0.70	0.00	0.00	0.00	0.70	245.00	350.00
Total Hours	42.00	143.90	162.30	23.70	371.90	86,796.50	233.39
Total Fees Claimed						33,800.00	