

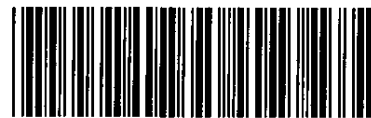
AM10

Notice of administrator's progress report



Companies House

TUESDAY



A18 *A7JM3ICP* #182
27/11/2018
COMPANIES HOUSE

1 Company details

Company number 1 0 6 6 2 9 2 5
Company name in full Shuttleworth Hospitals Products Ltd

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

2 Administrator's name

Full forename(s) Stephen Gerard
Surname Clancy

3 Administrator's address

Building name/number The Chancery
Street 58 Spring Gardens
Post town Manchester
County/Region
Postcode M 2 1 E W
Country

4 Administrator's name ①

Full forename(s) Sarah Helen
Surname Bell

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

5 Administrator's address ②

Building name/number The Chancery
Street 58 Spring Gardens
Post town Manchester
County/Region
Postcode M 2 1 E W
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 0	^d 1	^m 0	^m 5	^y 2	^y 0	^y 1	^y 8
To date	^d 3	^d 1	^m 1	^m 0	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

Stephen C. Jancy

X

Signature date

^d 2	^d 3	^m 1	^m 1	^y 2	^y 0	^y 1	^y 8
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**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 **Callum O'Brien**

Company name **Duff & Phelps Ltd.**

Address **The Chancery**

58 Spring Gardens

Post town **Manchester**

County/Region

Postcode **M 2 1 E W**

Country

DX

Telephone **+44 (0) 161 827 9000**

**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

**Progress Report to
Creditors
Shuttleworth Hospital Products
Limited
(In Administration)**

23 November 2018

*Joint Administrators' Progress Report to Creditors
for the period from 1 May 2018 to 31 October 2018*

Duff & Phelps Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW

Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents	Charterfields Limited, independent agents who were instructed to value and sell the assets of the Company
the Appointment Date	1 May 2018, being the date of appointment of the Joint Administrators
the Bank / Santander	Santander UK plc, with whom the Company banked
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Company	Shuttleworth Hospital Products Limited (In Administration) (Company Number. 10662925)
DBEIS	Department for Business, Energy & Industrial Strategy
the Directors	Paul Robinson and Julie Robinson, the directors of the Company
Duff & Phelps	Duff & Phelps Ltd , The Chancery, 58 Spring Gardens, Manchester, M2 1EW
EC Regulation	EC Regulation on Insolvency Proceedings 2000
HMRC	HM Revenue and Customs
Close / the Secured Creditor	Close Brothers Limited, with whom the Company had an invoice finance facility, and the holder of a fixed and floating charge over the Company's assets
the Joint Administrators	Stephen Clancy and Sarah Bell of Duff & Phelps Ltd The Chancery, 58 Spring Gardens, Manchester, M2 1EW
NOIA	Notice of Intention to Appoint Joint Administrators
Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors
the Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals dated 18 June 2018
the Purchaser	HCE Medical Group, the purchaser of the majority of the assets of the Company
the Residual Purchaser	BPI Auctions, the purchaser of the residual assets of the Company

RPS	Redundancy Payments Service
the Reporting Period	1 May 2018 to 31 October 2018
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
the Solicitors	Turner Parkinson LLP, the solicitors instructed by the Joint Administrators to provide advice in relation to ad-hoc matters arising in the Administration
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the acquisition of assets of insolvent companies by Directors
SOA	Statement of Affairs, as signed by the Directors of the Company on 13 July 2018

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1. Introduction
2. Joint Administrators' Report and Statement of Proposals
3. Progress of the Administration
4. Investigations
5. Dividend Prospects / Prescribed Part
6. Joint Administrators' Receipts and Payments Account
7. Pre-Administration Costs
8. Joint Administrators' Costs and Expenses
9. *Next Report*

Appendices

- 1 Statutory Information
- 2 Joint Administrators' Receipts and Payments Account
- 3 Analysis of Time Charged and Expenses Incurred
- 4 Statement of Creditors' Rights

1. Introduction

- 1.1 The Joint Administrators were appointed on the Appointment Date by the Director of the Company.
- 1.2 In accordance with Paragraph 100 of Schedule B1 to the Act, the functions of the Joint Administrators may be exercised by either or both of the Joint Administrators
- 1.3 The purpose of this progress report is to detail the Joint Administrators' acts and dealings together with the conduct of the Administration in the Reporting Period.
- 1.4 This report should be read in conjunction with the Proposals for further detail on the background of the Company and events leading up to the Administration.

2. Joint Administrators' Report and Statement of Proposals

- 2.1 In accordance with Paragraph 52(1) of Schedule B1 to the Act, a creditors' meeting was not required to be held as there will insufficient realisations to enable a distribution to non-preferential creditors other than the prescribed part (if any). No meeting was convened, and the Proposals were deemed to have been approved by creditors on 3 July 2018
- 2.2 As advised in the Proposals, the Joint Administrators must perform their functions with the purpose of achieving one of the following hierarchical objectives:
 - Rescuing the Company as a going concern; or
 - Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or
 - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.3 The first objective will not be achieved as there are insufficient funds and assets available to enable the Company to be rescued as a going concern.
- 2.4 The second objective may not be achievable as there is no evidence to suggest that it is likely that a better result for the Company's creditors as a whole will be achieved than if the Company was wound up
- 2.5 The Joint Administrators have achieved the third objective as a distribution has been made to the Secured Creditor and they have been repaid in full.

3. Progress of the Administration

- 3.1 The manner in which the affairs and business of the Company have been managed since the appointment of Joint Administrators and will continue to be managed and financed are set out below

Asset Realisations

- 3.2 Following the Joint Administrators' appointment, the Agents were instructed to assist with the sale of the assets on a break up basis.

- 3.3 Offers were received from various interested parties with two separate offers being recommended to be accepted by the Agents.
- 3.4 Following lengthy discussions with other interested parties, and having discussed the offer with the Agents, the Joint Administrators decided to accept an offer from an interested party to acquire the majority of the assets of the Company for £20,000 plus VAT. The Purchaser had no prior involvement with the business.
- 3.5 The breakdown of the sale consideration is summarised below:

Asset	Consideration	
Goodwill	£	1
The Sellers Records	£	1
Fixtures Fittings and Equipment	£	500
Stock and WIP	£	11,997
Intellectual Property	£	7,500
Business Information	£	1
Total	£	20,000

- 3.6 The sale completed on 3 May 2018 with the full sale consideration paid on completion.
- 3.7 The Joint Administrators and their Agents are satisfied that the sale represented the best price achievable for the Company's assets

Remaining Plant and Machinery

- 3.8 An offer of £10,000 plus VAT for miscellaneous plant and machinery was received from the Residual Purchaser, who is an unconnected third party.
- 3.9 Following discussions with other interested parties, and having discussed the offer with the Agents, the Joint Administrators decided to accept this offer with the full sale consideration provided on completion on 29 May 2018.
- 3.10 No further realisations are anticipated from this source

Motor Vehicles

- 3.11 The Residual Purchaser also submitted an offer for two unencumbered motor vehicles in the sum of £3,000 plus VAT.
- 3.12 The sale of the remaining motor vehicles completed on 29 May 2018, with the full sale consideration also provided upon completion
- 3.13 No further realisations are anticipated from this source.

Book Debts

- 3.14 According to the Company's books and records and information provided by Close the outstanding debts of the Company totalled £127,673 as at the Appointment Date. These debts were assigned under an invoice finance agreement created on 30 March 2017
- 3.15 The principal amount owing to Close under the finance agreement as at the Appointment Date was circa £105,104, subject to accruing interest and charges.
- 3.16 As at the date of this report, £119,747 has been collected by Close. After full repayment of Close's indebtedness, it is estimated that a surplus of £13,804 will be generated and funds will be remitted to the Administration estate in due course.

Cash at Bank

- 3.17 As at the Appointment Date, the Company had an overdrawn bank account

Other Matters

- 3.18 The Joint Administrators anticipate termination fees will be applied to the invoice finance agreement, following which a VAT reclaim will be due in respect of the VAT incurred on these fees

4. Investigations

- 4.1 The Joint Administrators have a statutory obligation to file a report with the DBEIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators appointment. The content of this report is confidential and has been submitted to the Insolvency Practitioners' Compliance Unit
- 4.2 There are no outstanding lines of enquiry

5. Dividend Prospects / Prescribed Part

Secured Creditors

Close

- 5.1 In consideration for the monies advanced under the invoice finance agreement, the Company granted Close a debenture dated 30 March 2017, which confers fixed and floating charges over all of the assets of the Company.
- 5.2 As stated in Section 3.15, the principal amount owing to Close under the finance agreement as at the Appointment Date was circa £105,104, subject accruing interest and charges.
- 5.3 As detailed previously, Close have now been repaid in full as a result of the successful collection of the book debt ledger and a notice of satisfaction charge will be filed at Companies House in due course

W Shuttleworth & Co. (Metal Workers) Limited

- 5.4 In consideration for the deferment of sale proceeds following the acquisition of the business of W Shuttleworth & Co. (Metal Workers) Limited, the Company granted the seller a fixed and floating charge over the assets of the Company

- 5.5 The deferred sale proceeds have been paid in full and the charge was released prior to the Company entering into Administration.

Preferential Creditors

- 5.6 The Company's 14 employees were made redundant following the Joint Administrators' appointment and therefore hold preferential claims in respect of arrears of wages and unpaid holiday accrued.
- 5.7 Pursuant to the SOA, the estimated preferential claims total £24,983.
- 5.8 It is anticipated that there will be insufficient funds available to enable a distribution to the preferential creditors.
- 5.9 It is likely that a significant element of the preferential claim will be employees' claims which are subrogated to the Secretary of State, following payment by the RPS

Prescribed Part

- 5.10 Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a Prescribed Part of the Company's net property shall be made available to non-preferential creditors.
- 5.11 As detailed in the Proposals, the Company granted a floating charge to Close on 30 March 2017. As stated in Section 5.3, the Secured Creditor has been repaid in full and there is no outstanding floating charge debt, the provisions of the Prescribed Part will not apply in this instance

Non-Preferential Creditors

- 5.13 According to the SOA, non-preferential creditors total £178,137 and are summarised as below:

Creditor	Claim
Trade & Expense Creditors	£ 499,946
HM Revenue & Customs	£ 74,602
Total	£ 574,548

- 5.14 Based upon the current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential creditors of the Company, other than from the Prescribed Part, if any.

6. Joint Administrators' Receipts and Payments Account

- 6.1 A detailed Receipts and Payments account for the Reporting Period is shown in Appendix 2.
- 6.2 As at 31 October 2018, there was a cash balance of £14,494.04.

7. Pre-Administration Costs

- 7.1 On 30 July 2018, the following amounts in respect of Pre-Administration costs and disbursements (inc. VAT) were approved by the Secured Creditor, to be paid out of the assets of the Company.

Name of Recipient	Brief Description of Services Provided	Total Amount Approved
Duff & Phelps	Time costs and disbursements incurred in respect of the advice provided to the Company on the financial position, marketing the business and assets for sale, completing a sale of the assets, reporting to the Directors and creditors and completing various appointment matters	£17,945
Turner Parkinson LLP	Assistance with placing the Company into Administration, review of the security documentation and ad hoc legal matters.	3,050
Charterfields Limited	Asset valuation advice, recommendations in relation to the offers received and assisting in the sale of assets.	2,018
Total		£23,013

- 7.2 These costs have not yet been drawn in full.

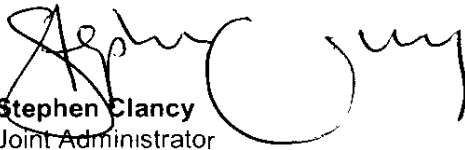
8. Joint Administrators' Costs and Expenses

- 8.1 On 30 July 2018, the Joint Administrators' basis of remuneration was approved on the basis of time properly charged. The drawing of Category 2 Disbursements was also approved.
- 8.2 The time costs charged in the Reporting Period are analysed at Appendix 3. Time has been charged in six minute units
- 8.3 The Joint Administrators have drawn in part remuneration of £6,036 in relation to pre-appointment matters and no remuneration in respect of post-appointment matters in the Reporting Period.
- 8.4 The time costs charged in the Reporting Period by the Joint Administrators are analysed at Appendix 3. Time costs total £30,926, representing 118 hours at an average charge out rate of 262 hours
- 8.5 In accordance with SIP 9, the Joint Administrators have provided creditors with additional information regarding major areas of time during the Reporting Period recorded below
- Time costs of £5,781 have been incurred under the heading Communications with Creditors / Employees. This relates to time spent dealing with creditor queries in respect of their non-preferential claims in the Administration. This also includes time spent dealing with employee claims of any staff who were made redundant following the Joint Administrators' appointment.
 - Time costs of £4,155 have been incurred under the heading Statutory Matters (Meetings, Reports & Notices) This relates to time spent completing the Proposals and completing any further statutory requirements in the Administration

- Time costs of £4,055 have been incurred under the heading Freehold and Leasehold Property. This relates to time spent liaising with the landlord of the Company's previous trading premises.
- Time costs of £3,540 have been incurred under the heading Strategy Planning & Control. This relates to time spent reviewing the general progression of the Administration and discussing such progression both internally and with appointed professional advisors.
- Time costs of £3,442 have been incurred under the heading Dealings with Directors and Management. This relates to time spent liaising with the Directors, obtaining information from them and other correspondence that involved them and the rest of the management team, such as various requests for the SOA.

9. Next Report

- 9.1 The Joint Administrators are required to provide a Progress Report within one month of every six months of the Administration or until the closure of the Administration. The next report will be issued no later than 30 April 2019
- 9.2 It is anticipated that the next report to creditors will be the final report, following the settlement of the remaining costs of the Administration
- 9.3 If you have any queries or require any further assistance, please do not hesitate to contact my colleague Callum O'Brien of this office


Stephen Clancy
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Stephen Clancy and Sarah Bell, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association

Appendix 1

Statutory Information

Statutory Information

Date of Incorporation	10 March 2017
Registered Number	10662925
Company Directors	Julie Robinson Paul Robinson
Company Secretary	Sarah Robinson
Shareholders	Paul Robinson – 70% Shareholding Julie Robinson – 30% Shareholding
Trading Address	Linney Lane Shaw Oldham Lancashire OL2 8HD
Registered Office	Current: The Chancery 58 Spring Gardens Manchester M2 1EW Former: Deansfield House 98 Lancaster Road Newcastle Under Lyme Staffordshire England
Any Other Trading Names	N/A

Appendix 2

Joint Administrators' Receipts and Payments Account

Shuttleworth Hospital Products Limited
(In Administration)
Joint Administratorss' Summary of Receipts & Payments
To 31/10/2018

S of A £	£	£
SECURED ASSETS		
Business Information	1.00	
Goodwill	1.00	
Intellectual Property	7,500.00	
The Sellers Records	1.00	
		7,503.00
COSTS OF REALISATION		
Agents/Valuers Fees	2,000.00	
Agents/Valuers Disbursements	18.00	
		(2,018.00)
ASSET REALISATIONS		
Plant & Machinery	10,000.00	
Fixtures Fittings and Equipment	500.00	
Motor Vehicles	3,000.00	
Stock & WIP	11,997.00	
Bank Interest Gross	16.22	
		25,513.22
COST OF REALISATIONS		
Pre Insolvency Remuneration	6,000.00	
Statement of Affairs Fee	1,000.00	
Joint administrators' disbursements	39.39	
Legal Fees	3,000.00	
Legal Disbursements	50.00	
Statutory Advertising	84.60	
Rents Payable	4,200.00	
Insurance of Assets	301.79	
		(14,675.78)
		16,322.44
REPRESENTED BY		
Floating/main current account		14,494.04
General VAT control account		1,424.80
Fixed charge VAT control account		403.60
		16,322.44

Appendix 3

Analysis of Time Charged and Expenses Incurred

87635 SHUTTLEWORTH HOSPITAL PRODUCTS
ANALYSIS OF TIME COSTS FOR THE PERIOD 1/05/2018 to 31/10/2018

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.70	2.00	0.00	2.90	0.00	5.60	1,802.50	321.88
Cashienng & accounting	0.00	1.20	1.80	5.90	0.00	8.90	2,106.50	236.69
Dealings with Directors and Management	0.00	7.80	0.00	2.20	0.00	10.00	3,442.00	344.20
IPS set up & maintenance	0.00	0.00	0.00	0.45	0.00	0.45	92.00	204.44
Insurance	0.00	0.00	0.00	1.10	0.00	1.10	258.50	235.00
Statement of affairs	0.20	0.00	0.00	4.70	0.00	4.90	1,210.50	247.04
Statutory matters (Meetings & Reports & Notices)	0.00	3.00	0.00	14.35	0.00	17.35	4,155.25	239.50
Strategy planning & control	1.40	1.60	0.00	13.70	0.00	16.70	3,539.50	211.95
Tax Compliance / Planning	0.00	0.00	0.00	0.40	0.00	0.40	94.00	235.00
Creditors								
Communications with Creditors / Employees	0.90	0.00	0.00	22.75	0.00	23.65	5,781.25	244.45
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	3.25	0.00	3.25	528.25	162.54
Secured Creditors	0.00	0.00	0.00	2.50	0.00	2.50	587.50	235.00
Investigations								
CDDA & reports & Communication	0.00	1.70	0.00	5.40	0.00	7.10	1,906.50	268.52
Realisation of Assets								
Book debts	0.00	0.50	0.00	0.00	0.00	0.50	187.50	375.00
Freehold and Leasehold Property	0.00	10.50	0.00	0.50	0.00	11.00	4,055.00	368.64
Other Intangible Assets	0.00	0.70	0.00	0.00	0.00	0.70	262.50	375.00
Other Tangible Assets	0.00	0.00	0.00	3.20	0.00	3.20	752.00	235.00
Sale of business	0.00	0.00	0.00	0.70	0.00	0.70	164.50	235.00
Total Hours:	3.20	29.00	1.80	84.00	0.00	118.00		262.08
Total Fees Claimed: £	1,696.00	10,941.00	612.00	17,676.75	0.00		30,925.75	

Shuttleworth Hospital Products Limited (In Administration)
Joint Administrators' Disbursements

Company	Activity	Fee Basis	Current Period	
			Incurred	Amount Paid
			(£)	(£)
Professional Advisors				
Courts Advertising Limited	Statutory Advertising	Fixed Fee	84.60	84.60
Manufacture & Repair Services Limited	Rent payable at former trading premise	Fixed Fee	4,200.00	4,200.00
AUA Insolvency Risk Service	Insurance of Assets	Fixed Fee	301.79	301.79
TOTAL			<u>£4,586.39</u>	<u>£4,586.39</u>

The Joint Administrators' choice of professional advisors was based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fee.

The above costs exclude VAT

No Category 2 disbursements were incurred during the Reporting Period

Appendix 4

Statement of Creditors' Rights

STATEMENT OF CREDITORS RIGHTS

Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)

Section or paragraph numbers refer to Insolvency Act 1986

If you require a copy of any relevant rule or section, please contact Callum O'Brien at Callum.Obrien@duffandphelps.com

This notice is accompanied by the Joint Administrators' Statement of Proposals

Information for creditors on remuneration and disbursements of administrators

Information regarding the fees and disbursements of administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/creditor-guides-and-employee-fact-sheets>

(click on the document 'Administration (appointment from 1 October 2015)'). Should you require a copy, please contact this office

Creditors may requisition a decision to be made by all of the creditors for approval of the Joint Administrator' Proposals under para 52(2) Schedule B1 Insolvency Act 1986

The Joint Administrators shall seek a decision from the Company's creditors as to whether they approve the proposals if requested by creditors of the Company, whose debts amount to at least 10% of the total debts of the Company. Such a request must be received by the Joint Administrators within 8 business days of the date on which the Joint Administrator's statement of proposals is delivered.

The request for a requisitioned decision must include a statement of the purpose of the proposed decision and either—

(a) a statement of the requesting creditor's claim together with—

- a list of the creditors or contributories concurring with the request and of the amounts of their respective claims or values, and
- confirmation of concurrence from each creditor; or

(b) a statement of the requesting creditor's debt and that that alone is sufficient without the concurrence of other creditors

Creditor/s may be requested to meet the costs of a requisitioned decision and a deposit will be required for this purpose. These costs may be ordered to be paid as an expense of the Administration if the creditors so resolve.

A requisitioned decision must be made within 28 days of receiving the deposit or the expiry of 14 days without the Administrator informing the requesting creditor of the deposit sum.