

The Insolvency Act 1986

Administrator's progress report

Name of Company Just Core-It UK Limited	Company number 05057969
In the Manchester District Registry [full name of court]	Court case number 2385 of 2008


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

I / We (a) Alan H Tomlinson
 Tomlinsons
 St John's Court
 72 Gartside Street
 Manchester
 M3 3EL

administrator(s) of the above company attach a progress report for the period

(b) Insert dates

from (b) 4 April 2008 to (b) 3 October 2008

Signed 
 Joint / Administrator(s)
 Dated 31/10/08

Contact Details

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

Alan H Tomlinson Tomlinsons St John's Court 72 Gartside Street Manchester M3 3EL	0161 834 9797 DX Exchange
DX Number	

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



A28 06/11/2008 250
 COMPANIES HOUSE

THURSDAY

Administrator's Progress Report

**For the period
4 April 2008 to**

3 October 2008

**Just Core-It Limited
- In Administration**

Just Core-It Limited - In Liquidation

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Just Core-It Limited - In Administration

THE ADMINISTRATOR'S PROGRESS REPORT

1 Statutory information

1 1 I was appointed Administrator of the Company on 4 April 2008 by the Manchester District Registry. The application for the appointment of an Administrator was made by a trade creditor.

This Administration is being handled by Tomlinsons, St John's Court, 72 Gartside Street, Manchester, M3 3EL.

1 2 The Administration Order was granted by the High Court of Justice, Chancery Division, Manchester District Registry, reference number 2385 of 2008.

1 3 The trading address of the Company is Core-It House, Bradshaw Street, Atherton, Manchester, M46 9EU.

1 4 The registered office of the Company is c/o Tomlinsons, St John's Court, 72 Gartside Street, Manchester, M3 3EL and its registered number is 05057969.

2 Progress of the Administration

2 1 Attached at Appendix A is my Receipts and Payments Account for the period from 4 April 2008 to 3 October 2008.

2 2 As per my previous report, the Company assets consisted of outstanding Book Debtors, Motor Vehicles, Furniture & Equipment, Plant & Machinery, Stock and Goodwill/IPR.

2 3 As per my previous report, an offer of £30,000 was made by Mr A Hupton, a director, for the company's physical assets, including Goodwill, IPR and chattel assets. The offer was conditional that it did not prejudice the Goodwill and was to be completed immediately upon appointment. The offer also incorporated the transfer of 14 employees in order to preserve employment and reduce preferential creditors in the Administration.

2 4 The offer was considered by independent valuation agents, Messrs Robson Kay & Co, who recommended that under the circumstances, it should be accepted as it represented a significantly better return than would be the case if the company were to be placed in Liquidation.

Just Core-It Limited - In Administration

- 2.5 The sale therefore completed and a payment of £30,000 was received by the Administrator from Mr Hupton C/O Halliwells Solicitors on 23 May 2008. Surplus interest in respect of monies held by Halliwells in the sum of £78,39 has been forwarded to this office.
- 2.6 As per my last report Royal Bank of Scotland Plc hold a fixed and floating charge over the assets of the company to secure the company overdraft. The amount outstanding to the debenture holder under its debenture at the date of my appointment was £6,200. Debtors of the company continued to make payment into the company bank account upon my appointment extinguishing the overdraft. As such no further monies are due to Royal Bank of Scotland Plc under its debenture. Surplus cash at bank totalling £11,091.64 has been forwarded to this office, of which £2,583.68 has been refunded to Northwest Concrete Cutters Limited in respect of monies received from customers into the wrong account.
- 2.7 At the date of my appointment the company debtor ledger was subject to a factoring agreement in favour of RBS Invoice Finance. The amount outstanding to RBS Invoice Finance under the agreement was £13,000. However, this debt has now been extinguished in full and a surplus of £14,820 has been forwarded to this office. Further surplus realisations are expected to be forwarded to this office shortly, the amount of which, is as yet undisclosed.
- 2.8 Non-factored debtors are being collected with the assistance of the director Mr A Hupton, and are anticipated to be collected out shortly. To date realisations from this source amount to £6,242.
- 2.9 The fixed charge referred to in my last report in favour of Royal Bank of Scotland Plc is over property owned by the Director, Mr A Hupton, personally. Upon appointment further investigations concluded that this does not affect the Administration and has therefore been excluded.
- 2.10 Further to my last report an amount of £17,51 was received from BT Plc on 29 July 2008, in respect of an overpayment.
- 2.11 In accordance with Statement of Insolvency Practice No 13 (SIP13), I would advise you that the following assets were sold to a Director of the Company

Date of transaction	Asset involved and nature of transaction	Consideration Paid and Date	Sold to:	Relationship
19 March 2008	Goodwill, IPR and chattel assets	£30,000 paid on 25 May 2008	Mr A Hupton	Director

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3 Administrator's Remuneration

- 3 1 Creditors approved the basis of the Administrator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Administration
- 3 2 The Administrator's time costs at 3 October 2008 are £15,631 00 Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period No remuneration has been drawn to date
- 3 3 Attached as Appendix C is additional information in relation to Tomlinsons policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade

4 Estimated outcome for creditors

- 4 1 Monies due to RBS Invoice Finance have been extinguished from the collection of book debts As such, there are no further monies due to them under their Charge
- 4 2 Monies due to Royal Bank of Scotland Plc in respect of its charge over the company overdraft have been extinguished from the deposit of book debts into the company bank account As such, no further monies are due to Royal Bank of Scotland Plc under its debenture
- 4 3 Under the terms of the sale agreement, all existing employee contracts were transferred to the purchaser and as such, no preferential claim is anticipated from the Redundancy Payments Office
- 4 4 It is anticipated that a dividend will be available to unsecured creditors

5 Ending the Administration

- 5 1 The Administrator believes there will be sufficient funds to pay secured creditors in full, and to pay a dividend to the unsecured creditors In this situation, the Administrator will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation (CVL) It is proposed that the Administrator will also become the Liquidator

Just Core-It Limited - In Administration

6 Next report

6.1 The Administrator is required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised

For and on behalf of
Just Core-It Limited



A H Tomlinson
Administrator



**Just Core-It UK Limited
(In Administration)**

**Summary of Receipts & Payments
04 April 2008 to 03 October 2008**

RECEIPTS	Total (£)
Book Debts	6,242 97
Plant & Machinery	10,000 00
Furniture & Equipment	1,000 00
Motor Vehicles	16,000 00
Stock	1,000 00
Book Debts - Charge Holder Surplus	14,820 23
Sundry Refund	17 51
Cash at Bank	11,091 64
Goodwill / IPR	2,000 00
Bank Interest Gross	242 37
Sundry Interest Received from Solicitors	78 39
Legal Fees (1)	78 95
	<hr/> 62,572 06 <hr/>
 PAYMENTS	
Cash at Bank	2,583 68
Agents/Valuers Fees (1)	5,500 00
Vat Receivable	2,915 61
	<hr/> 10,999 29 <hr/>
Balance In Hand	51,572 77 <hr/>
	<hr/> 62,572 06 <hr/>

Just Core-It Limited - In Administration

APPENDIX B

Analysis of Administrator's Time Costs for the period

4 April 2008 to 3 October 2008

	Partner	Manager	Administrator	Cashier	Total Hours	Time Cost £	Average Rate £
Trading	0	0	0	0	0	£0 00	£0 00
Investigations	0	0	17 5	0	17 5	£1,750 00	£100 00
Administration and Planning	7 05	6 95	17 3	0	31 3	£4,966 50	£158 67
Compliance	0	13	19	0	32	£3,710 00	£115 94
Realisation of Assets	2 5	0	9 3	0	11 8	£1,448 00	£122 71
Creditors	0	1 1	4 8	0	5 9	£819 00	£138 81
Cashing	0	0	13 75	13 75	27 5	£1,147 50	£41 73
Total Hours	9 55	21 05	67 9	13 75	112 25		
Average Rate	£262 15	£200 48	£114 29	£83 45			
Total Fees	£2,503 50	4,220 00	£7,760 00	£1,147 50		£15,631 00	£139 25

Appendix C

ADDITIONAL INFORMATION IN RELATION TO ADMINISTRATOR'S FEES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

1 Policy

Detailed below is Tomlinsons policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

1.1 Staff allocation and the use of subcontractors

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

The constitution of the case team will usually consist of a Partner, Manager, Senior and Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several Seniors/Assistants may be allocated to meet the demands of the case.

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged.

We have not utilised the services of any subcontractors in this case.

1.2 Professional advisors

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

Name of Professional Advisor	Basis of Fee Arrangement
Halliwells Solicitors	Hourly rate & disbursements
Robson Kay & Co (valuation and disposal advice)	Hourly rate & disbursements

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My choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them

1.3 Disbursements

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

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred which relate to payments due to associated companies for the provision of services to the office holder. Tomlinsons does not charge Category 2 disbursements.

2 Charge-out rates

Hourly charge out rates as at 1 June 2008 -

	<u>£</u>
Senior Partner	270
Partner	240
Associate	220
Manager	180
Assistant Manager	150
Administrators	100-130
Cashiers	90