

The Insolvency Act 1986

**Notice of result of meeting
of creditors**

2.23B

Name of Company Midland Sheetmetal Limited	Company Number 02101564
In the High Court of Justice Chancery Division Birmingham District Registry (full name of court)	Court case number 4129 of 2007

(a) Insert full name(s) and address(es) of the administrator(s) I / We (a) Stuart David Maddison of PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, Derbyshire, DE7 2UZ and David Matthew Hammond of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT

*Delete as applicable hereby report that a meeting of the creditors of the above company was held at

(b) Insert place of meeting (b) PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, Derbyshire, DE7 2UZ

(c) Insert date of meeting on (c) 30 March 2007 at which

*Delete as applicable
~~*1 Proposals / revised proposals were approved~~
 *2 Proposals / revised proposals were modified and approved

The modifications made to the proposals are as follows

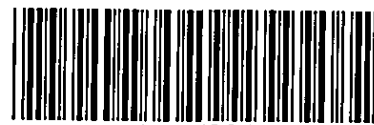
(d) Give details of the modifications (if any) (d) The exit route will be liquidation, if funds allow, otherwise exit route will be dissolution

~~*3 The proposals were rejected~~

(e) Insert time and date of adjourned meeting ~~*4 The meeting was adjourned to (e)~~

(f) Details of other resolutions passed ~~*5 Other resolutions (f)~~

FRIDAY

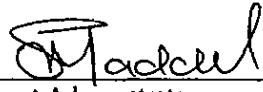


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~~The revised date for automatic end to administration is~~

*Delete as applicable

A creditors' committee was not formed

Signed 
 Joint Administrator

Dated 10/4/07

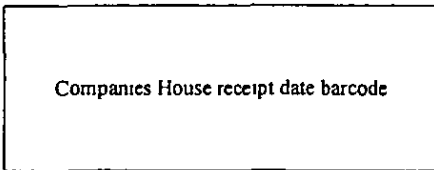
*Delete as applicable

A copy of the original proposals is attached for those who did not receive such documents prior to the meeting

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

Susan Corneli	
PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP	
	Tel 0113 289 4107
DX Number	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

2. The Administrators' statement of proposals

Although the other three subsidiaries are trading profitably, if the whole Group were to enter insolvency there is a risk that the Bank would not recover its total Group debt in full and consequently there would be no funds available to the unsecured creditors. The Group, and its subsidiaries, have made an offer to settle the contingent claim with the Company of £100,000. This would provide a small distribution to the unsecured creditors.

The alternative for the unsecured creditors is a nil distribution with the prospect that at some point in the future, when the Bank is repaid, the claim crystallises. However, the creditors would need to pay the costs of an insolvency practitioner to remain in office until the claim crystallises.

We recommend as part of our proposals that the creditors accept the proposed offer by the Group.

The Prescribed Part

As all charges registered by the Bank were done so after 15 September 2003 there is a requirement for a Prescribed Part (which is that part of any floating charge realisations that should be made available for unsecured creditors) to be set aside from funds available to them under their floating charge. We currently estimate that the prescribed part available to unsecured creditors will be £11,000.

Ending the Administration

Once the objective of the Administration has been achieved, the Company will be placed into creditors' voluntary liquidation following which the Company will either be dissolved or alternatively, following distribution to unsecured creditors with sanction of the court, the Administration will be ended and the Company subsequently dissolved.

Proposals for achieving the purpose of the Administration:

The Administrators make the following proposals for achieving the purpose of the Administration:

- i) The Administrators will continue to manage and finance the Company's business, affairs and property in such manner as they consider expedient with a view to 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)
- ii) The Administrators will investigate and, if appropriate, pursue any claims that the Company may have under the Companies Act 1985 or IA86. In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or to maximise their realisations for any other purpose incidental to these proposals.
- iii) The Administrators to negotiate a settlement of the contingent claim of the Company with the Group in respect of indirect Bank debt paid on its behalf
- iv) If the Administrators decide that funds will become available for unsecured creditors, the Administrators may at their discretion establish in principle the claims of unsecured creditors for subsequent adjudication by a subsequent liquidator or supervisor of a company voluntary arrangement / scheme of arrangement and that the costs of so doing be met as a cost of the Administration as part of the Administrators' remuneration

2. The Administrators' statement of proposals

- v) If the Administrators decide that funds will become available for unsecured creditors, the Administrators may at their discretion make an application to court under Paragraph 65(3) Sch B1 IA86 for permission to make distributions to unsecured creditors
- vi) A formal creditors' committee will be established if sufficient creditors are willing to act on it
- vii) The Administrators will consult with the creditors' committee concerning the necessary steps to extend the Administration beyond the statutory duration of one year if an extension is considered advantageous. If a creditors' committee is not appointed, the Administrators shall either apply to the court or seek a resolution of the appropriate classes of creditors for consent to an extension
- viii) The Administrators may use any or a combination of the "exit route" strategies in order to bring the Administration to an end, but in this particular instance the Administrators are likely to wish to pursue the following options as being the most cost effective and practical in the present circumstances:
 - (a) Once the asset realisations are complete, the Administrators will place the Company in Creditors' Voluntary Liquidation. In these circumstances, it is proposed that Stuart David Maddison and David Matthew Hammond of PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, Derbyshire DE7 2UZ and PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham B3 2DT respectively, be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by either or both of them. In accordance with Paragraph 83(7) Sch B1 IA86 and Rule 2 17(3) to the Insolvency Rules 1986 ("IR86"), creditors may nominate alternative liquidators, provided that the nominations are made after the receipt of these proposals and before they are approved, OR
 - (b) Once asset disposals are complete, if there are sufficient assets to enable a distribution to unsecured, non-preferential creditors, the Administrators will apply to the Court to allow the Administrators to distribute surplus funds to unsecured non-preferential creditors. However, if it transpires that there are insufficient funds with which to make a distribution to unsecured non-preferential creditors and once all of the assets have been realised and the Administrators will conclude all work within the Administration. In both circumstances, the Administration will be brought to an end either automatically one year after the Administrators' appointment pursuant to Paragraph 76(1) Sch B1 IA86, subject to any extension granted, or by notice to the Registrar of Companies on completion of the Administration under Paragraphs 80 or 84 Sch B1 IA86
- ix) The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch B1 IA86 in respect of any action of theirs as Administrators when they cease to be Joint Administrators of the Company at a time fixed by the creditors' committee, or, if there is no creditors' committee, 14 days after the filing of their final progress report with the Registrar of Companies
- x) The basis of the Administrators' fees will be fixed and the drawing of Category 2 disbursements will be agreed by the creditors' committee. If no creditors' committee is formed, it is proposed under Rule 2 106 IR86 that the Administrators' fees will be fixed by reference to the time properly given by the Administrators and the various grades of their staff according to hourly rates for work of this nature and that disbursements be charged in accordance with their firm's policy as set out in Appendix C. The Administrators will be authorised to draw such fees and reasonable disbursements on account from time to time
- xi) If no creditors' committee is formed, the Administrators will be authorised to draw fees of £125,278 in respect of their time costs for the period 6 February 2007 to 28 February 2007, together with £1,891 in respect of their Category 2 disbursements. An extract from Statement of Insolvency Practice 9, creditors'

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guidance to fees in Administrations, is enclosed at Appendix B The Administrators' proposed hourly rates are attached at Appendix C, together with details of their time costs to 28 February 2007

The following resolutions will be put to creditors at the initial meeting of creditors -

First — that the Administrators' proposals dated 15 March 2007 be adopted

Second — that a creditors' committee be formed if there are sufficient creditors willing to act

In the event that a creditors' committee is not appointed

Third — that the Administrators' fees be fixed by reference to time properly given by the Administrators and the various grades of their staff according to hourly rates for work of this nature and that the Administrators be authorised to draw their fees on account from time to time

Fourth — that the Administrators be authorised to draw Category 2 disbursements in accordance with their firm's policy as circulated on account from time to time