

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company John Porter (Newcastle) Limited	Company number 00261908
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In the High Court of Justice Newcastle upon Tyne District Registry <small>(full name of court)</small>	Court case number 527 of 2005
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(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)
Ian William Kings
Tenon Recovery
Tenon House
Ferryboat Lane
Sunderland
SR5 3JN

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

(b) Insert date

From (b) 12 April 2006	To (b) 11 October 2006 ✓
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Signed


Administrator

Dated

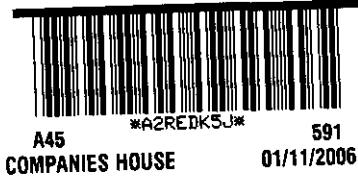
31/10/06

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

Ian William Kings Tenon Recovery Tenon House Ferryboat Lane Sunderland SR5 3JN	
DX Number DX 711918 Sunderland 7	0191 511 5000 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

Tenon recovery

PRIVATE & CONFIDENTIAL

Email kelly.allison@tenongroup.com

Our ref **SPR/KA/TM/3018453/1300/TR**

To the Creditors of John Porter (Newcastle) Limited

Your ref

Please **Kelly Allison**

Contact

Date **31 October 2006**

Dear Sirs

**JOHN PORTER (NEWCASTLE) LIMITED
IN ADMINISTRATION
HIGH COURT OF JUSTICE, CHANCERY DIVISION, NEWCASTLE UPON TYNE
DISTRICT REGISTRY NO 527 OF 2005**

In accordance with Rule 2.47(4), 2.110 and 2.117 of the Insolvency (Amendment) Rules 2003 I enclose, attached to Form 2.24B, the administrators' final progress report and Form 2.34B notification of the moving from Administration to Creditors Voluntary Liquidation.

Yours faithfully

For and on behalf of John Porter (Newcastle) Limited



Ian W Kings
Administrator

Ian W Kings is an insolvency Practitioner Licensed by the Institute of Chartered Accountants in England and Wales

Tenon House, Ferryboat Lane, Sunderland, Tyne and Wear, SR5 3JN
Tel: +44 (0) 191 511 5000 Fax: +44 (0) 191 511 5001 DX: 711918 Sunderland 7
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Tenon Recovery is a trading name of Tenon Limited. A member of Tenon Group PLC Registered Office 66 Chiltern Street, London, W1U 4GB No: 4068924 England

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Tenon recovery

PRIVATE & CONFIDENTIAL

To the Creditors of John Porter (Newcastle) Limited

Email kelly.allison@tenongroup.com
Our ref SPR/KA/TM/3018453/1300/TR
Your ref
Please Kelly Allison
Contact
Date 31 October 2006

Dear Sirs

**JOHN PORTER (NEWCASTLE) LIMITED
IN ADMINISTRATION
HIGH COURT OF JUSTICE, CHANCERY DIVISION, NEWCASTLE UPON TYNE
DISTRICT REGISTRY NO 527 OF 2005**

Further to my appointment as Administrator of the above company on 12 October 2005, I detail below my final progress report in accordance with Rule 2.110 of the Insolvency Act. I attach at appendix I a summary of my final receipts and payments account.

Administrators' Report

Sale of business and assets

As you are aware the business and assets were sold immediately on appointment for £90,000 saving a significant number of employees from redundancy.

Book debts

The sale agreement provided for additional consideration from the book debts at 50% of further proceeds after the indebtedness to the factoring company had been satisfied.

As you are aware the indebtedness of Bibby Factors have been repaid in full.

A total of £16,406.77 has been recovered as additional consideration to date. Further realisations are expected.

Statement of Affairs

I can advise that the Directors Statement of Affairs included in my previous report has been filed at Companies House.

Ian W Kings is an Insolvency Practitioner Licensed by the Institute of Chartered Accountants in England and Wales

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Investigation Matters

I have complied with the requirement of the Company Directors Disqualification Act 1986 with the submission of a report to the DTI Disqualification Unit. The report is strictly confidential and therefore I am unable to comment any further.

Dividend Prospects

Preferential creditors

In light of the Enterprise Act, as from 15 September 2003 the Inland Revenue and HM Customs and Excise no longer have preferential status.

All employees have been transferred as part of the sale agreement resulting in there being no preferential creditors in this case.

Floating charge creditors

There are no floating charge creditors in this case.

Unsecured creditors

To date creditors claims of £748,319 have been received against total unsecured creditors of £1,291,928 per the Statement of Affairs. There will be a small dividend available to creditors, which will be paid via the Creditors Voluntary Liquidation.

Administrators' Remuneration and Disbursements

Remuneration

At a meeting of members and creditors held on 21 December 2005 my remuneration was fixed on a time cost basis. In the period to 11 October 2006 the administration had involved 167 administrator, manager and staff hours at a time cost of £22,079.60 (an average hourly rate of £132.21) against which I have drawn remuneration of £22,079.60.

Administrators' disbursements

The disbursements incurred by myself as Administrator of the company are detailed in the receipts and payments account and can be summarised as follows.

Category 1 Disbursements	£
Statutory Advertising	433.75
Specific bond	158.00
Total disbursements	<u>591.75</u>

Professional Advisors

On this assignment I have used the professional advisors listed below:

Name of Professional Advisor	Nature of Work	Basis of Fee Agreement	Costs to Date
Watson Burton LLP	Solicitors	Time cost	£ 10,030.00
James Sutherland (Auctioneers) Limited	Valuers	Time cost	500.00

My choice of professional advisors was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment. I have reviewed the fees charged and I am satisfied that they are reasonable an in the circumstances of this case.

Other

For ease of reference, I attach at Appendix III an additional copy of statutory information provided in previous reports.

The exit route for the administration is Creditors Voluntary Liquidation. I enclose a copy of the proposals for ease of reference as Appendix IV.

Yours faithfully

For and on behalf of John Porter (Newcastle) Limited



Ian W Kings
Administrator

APPENDIX I

RECEIPTS AND PAYMENTS ACCOUNT

John Porter (Newcastle) Limited - In Administration

Final Receipts and Payments for the period 12 October 2006 -11 October
2006

Receipts	£
Plant & Machinery	90,000.00
Book Debts	16,406.77
Misc Income	10.05
Bank Interest Gross	<u>1,239.68</u>
	107,656.50
Payments	
Specif Bond	€ 158.00
Office Holder Fees	22,079.60
Agents / Valuers Fees	500.00
Legal Fees	10,030.00
Statutory Advertising	433.75
Corporation Tax	<u>235.54</u>
	33,436.89
Surplus available to Liquidator	<u><u>74,219.61</u></u>

APPENDIX II
TIME ANALYSIS

John Porter (Newcastle) Limited

Time Analysis from 12 October 2005 to 11 October 2006

Classification of work function	Director	Manager	Other Senior Professionals	Assistants and Support Staff	Total Hours	Time Costs £	Average Hourly Rate £
Administration and Planning	24.30		49.80	21.90	96.00	12195.20	127.03
Realisation of Assets	9.50		0.50		10.00	2085.50	208.55
Trading							
Creditors	4.00		23.90	11.30	39.20	3543.90	90.41
Meetings	7.00		1.00		8.00	1545.00	193.13
Investigations	13.00			0.80	13.80	2710.00	196.38
Case Specific							
Dividend Review							
Totals	57.80		75.20	34.00	167.00	22079.60	132.21

Standard Activity

Examples of work

Administration and Planning

Case planning
Administrative set-up
Appointment notification
Maintenance of records
Statutory reporting

Investigations

SIP 2 review
CDDA reports
Investigating antecedent transactions

Realisation of Assets

Identifying, securing, insuring assets
Retention of title
Debt collection
Property, business and asset sales

Trading

Management of operations
Accounting for trading
On-going employee issues

Creditors

Communication with creditors
Creditors' claim (including employees' and other preferential creditors).

APPENDIX III

STATUTORY INFORMATION

**JOHN PORTER (NEWCASTLE) LIMITED
IN ADMINISTRATION**

Statutory Information

Former Name: None

Company Number: 00261908

Date of Incorporation: 14 January 1932

Address of Registered Office: Tenon House, Ferryboat Lane, Sunderland, SR5 3JN
(Formerly) North Hylton Road, Sunderland, SR5 3JE

Directors: Mr I McSally
Mr J B Porter
Mr T J Porter
Mrs V Porter

Nominal Share Capital £40,000 Nominal Share Capital – (divided into 40,000 ordinary shares of £1 each of which 31,000 have been allotted, called up and fully paid).

Registered Shareholders No of Ordinary Shares Held

F Anderson	1,040
D Clasper	3,565
D G Jenkin	3,565
M O Porter	300
J B Porter	16,030
A Turton	<u>6,500</u>
	<u>31,000</u>

Trading Results:

The following information has been taken from the company's books and records.

Year Ended	Turnover	Gross Profit/(Loss)	Net Profit/(Loss) After Tax	Balance on P & L Account
	£000	£000	£000	£000
29 February 2004	2627	(120)	(953)	16
28 February 2003	3147	559	(231)	791
28 February 2002	2990	734	46	500

Appointment Details

Date of Appointment 12 October 2005

Administrator Ian W Kings
Appointment made following an application made by a qualified floating charge holder

APPENDIX IV

ADMINISTRATORS PROPOSALS

**STATEMENT OF ADMINISTRATORS PROPOSALS PURSUANT TO PARAGRAPH 49 OF
SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986 ("the Act") and The Insolvency Rules 1986 ("the Rules") I am Kings the Administrator ("Administrator") of John Porter (Newcastle) Limited ("the Company"), make the following proposals for achieving the purpose of the Administration to the creditors of the Company for consideration and, if thought fit, approval at the meeting of the creditors of the Company to be held on 21 December 2005.

These proposals and the attached report to creditors together set out the information required by and discharge the administrators' duty pursuant to Paragraph 49 of Schedule B1 of the Act and Rule 2.33 of the Rules.

PROPOSALS

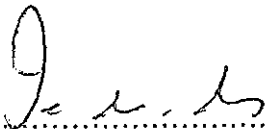
The Administrators propose that:

- (a) they continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration such that:
 - (i) they dispose of the Company's ownership of such assets at such time(s) on such terms as they consider expedient;
 - (ii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company which supplies or has supplied goods or services to the Company.
 - (iii) In addition, they do all such things and general exercise all their powers as Administrators as they in their discretion consider desirable or expedient in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals.
- (b) the exit route for the administration will be to convert the administration into a Creditors Voluntary Liquidation (CVL). It is proposed that the liquidator shall be the Administrator. The Creditors of the Company may nominate a different person(s) as the proposed liquidator(s), provided that the nomination(s) is made after the receipt of the proposals but before the proposals are approved.
- (c) It is envisaged that the administration shall continue (subject to the statutory provisions relating to automatic termination) until the realisable assets of the Company have been realised and all liabilities incurred during the administration have been discharged whereupon the Company shall be placed into CVL.
- (d) Upon the termination of the Administration the Administrators capacity to act as an agent of the company and any associated liability including personal liability will be discharged.
- (e) they be at liberty to incur such costs and expenses, including professional fees, as considered to be incidental to the achievement of the purpose of the Administration or for the purposes set out herein or to the Administrators' statutory duties. The Administrators shall be remunerated by reference to time properly spent both for their services as Administrators and also for their staff in attending to the matters arising in the

Administration of the Company and such fees are to be drawn on account. Fees are to be approved by the Creditors Committee and if no Creditors Committee is appointed then by the creditors in this general meeting.

- (f) the creditors should consider establishing a Creditors' Committee to exercise the functions conferred on it by or under the Insolvency Act 1986.
- (g) The consultant with the Creditors Committee, if formed, at appropriate intervals concerning the conduct of the Administration and the implementation and development of these proposals and where they consider it expedient obtain the sanction of that Committee on behalf of the creditors of the Company (and without further reference to them) to any proposed action on the part of the 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. For the following reasons it is considered that the EC Regulation will apply. If it does not apply, these proceedings will be main proceedings as defined in article 3 of the EC regulation. The Company's registered office is from where the Company carries on its business, Therefore, in the absence of proof to the contrary, the Company's centre of main interest is in the United Kingdom.



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IAN W KINGS
Administrator