In accordance with Rule 3.35 of the Insolvency (England & Wales) Rules 2016 & Paragraph 49(4) of Schedule B1 to the Insolvency Act 1986

# AM03

## Notice of administrator's proposals

Companies House

FRIDAY

*A8DEJWDD*
A32 06/09/2019 #149
COMPANIES HOUSE

### 1 Company details

| | |
|---|---|
| Company number | 0 2 3 5 6 9 7 2 |
| Company name in full | Feltech Electronics Limited |

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

### 2 Administrator's name

| | |
|---|---|
| Full forename(s) | Bijal |
| Surname | Shah |

### 3 Administrator's address

| | |
|---|---|
| Building name/number | Hayes House |
| Street | 6 Hayes Road |
| Post town | Bromley |
| County/Region | Kent |
| Postcode | B R 2 9 A A |
| Country | |

### 4 Administrator's name ❶

| | |
|---|---|
| Full forename(s) | Robert |
| Surname | Cundy |

❶ **Other administrator**
Use this section to tell us about another administrator.

### 5 Administrator's address ❷

| | |
|---|---|
| Building name/number | Hayes House |
| Street | 6 Hayes Road |
| Post town | Bromley |
| County/Region | Kent |
| Postcode | B R 2 9 A A |
| Country | |

❷ **Other administrator**
Use this section to tell us about another administrator.

# AM03
## Notice of Administrator's Proposals

| 6 | Statement of proposals | |
|---|---|---|
| | ☑ I attach a copy of the statement of proposals | |

| 7 | Sign and date | |
|---|---|---|
| Administrator's Signature | Signature ✕ ✕ | |
| Signature date | d 0 d 3 m 0 m 9 y 2 y 0 y 1 y 9 | |

**Joint Administrators' Proposals relating to**

**Feltech Electronics Limited ("the Company") – In Administration**

**Issued on: 3 September 2019**

**Delivered to creditors on: 5 September 2019**

Robert Cundy and I are the Joint Administrators of the Company and these are our statutory proposals relating to the Company.

## 1. STATUTORY INFORMATION

**Company Information**

| | |
|---|---|
| Company name: | Feltech Electronics Limited |
| Trading name: | Feltech |
| Company number: | 02356972 |
| Date of incorporation: | 8 March 1989 |
| Trading address: | 5 Homewood Road, St. Albans, Hertfordshire, AL1 4BE |
| Current registered office: | 5 Homewood Road, St. Albans, Hertfordshire, AL1 4BE |
| Appointment Details | |
| Administrators | Bijal Shah and Robert Cundy |
| Administrators' address | Hayes House, 6 Hayes Road, Bromley, Kent, BR2 9AA |
| Date of appointment | 12 August 2019 |
| Court name and reference | High Court of Justice<br>CR-2019-005052 |
| Appointment made by: | Directors |
| Actions of 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. |

Officers of the Company in the last 3 years :

| | |
|---|---|
| Jacqueline Fell | 1 November 2002 – date |
| Peter Fell | 8 March 1989 - date |
| Vince Smith | 28 February 2014 – date |
| Nevil Bounds | 13 October 2014 – 30 June 2019 |
| Marc Coleman | 1 December 2014 – 17 May 2019 |
| James Edward Fell | 8 March 1989 – 30 June 2019 |
| Gregory Hugh Moores | 1 November 2002 – 30 June 2019 |

| *Name:* | *Shareholding* |
|---|---|
| Peter Fell | 21,433 Ordinary £1 Shares |
| Steve Watson | 1,200 Ordinary £1 Shares |
| Tony Whybrow | 833 Ordinary £1 Shares |
| Greg Moores | 500 Ordinary £1 Shares |

**Share capital**

| *Authorised* | *Allotted, called up and fully paid* |
|---|---|
| 23,966 ordinary shares £1 each | 23,966 ordinary shares £1 each |

**Charges**

- Barclays Bank Plc, Fixed and Floating charges created 3 February 1994 and 2 May 2013
- Aldermore Bank Plc, Fixed and Floating charge created 31 October 2017

## 2. CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE ADMINISTRATORS

Creditors should note that, unless otherwise stated, this section of my proposals has been prepared based on information provided to me by the directors of the Company and not from my personal knowledge as Administrator.

The Company was incorporated on 8 March 1989 by Peter Fell to carry on the business as audio visual experts, consultants and engineers and to act as agents for import, export, design, manufacture and generally deal by wholesale and retail in high fidelity equipment of every description. It commenced trading on 1 May 1989. The Company was initially funded via share capital of £19,900 from Peter Fell. Over the years the business expanded and at its peak was employing almost 70 staff.

A summary of the Company's recent trading performance is shown below.

| | Mgmt Accts 1/11/17 to 31/10/18 £'000 | Statutory Accts 1/11/16 to 31/10/17 £'000 | Statutory Accts 1/5/16 to 31/10/16 £'000 |
|---|---|---|---|
| Turnover | 12,570 | 11,535 | 4,708 |
| Cost of Sales | (7,427) | (7,324) | (2,605) |
| Gross Profit | 5,143 | 4,211 | 2,103 |
| *Gross Profit %* | *40%* | *36%* | *44%* |
| Administrative Expenses | (4,485) | (3,714) | (1,544) |
| Net Profit/Loss after tax | 635 | 372 | 431 |

It should be noted that the management accounts have not been verified for accuracy and therefore may not reflect the Company's true trading position.

Equipment was purchased specifically for confirmed projects but over the years a considerable amount of equipment has been returned from projects as the customer has changed the specification at the last minute or a design didn't work quite the way the designer had intended. The Company would always endeavour to return any excess equipment but the box was often opened or damaged and the supplier would refuse to take the item back. This led to an accumulation of stock running to around 20 pallets and an original cost price in excess of £600k. This sapped working capital and is in part responsible for the Company's position.

In the period 2014 to 2016 the Company had 3 major projects that had a significant negative impact on the Company's profitability and working capital. However, from October 2016 business returned to relative normality and continued to grow in turnover and staff numbers.

The Company held a current account with an overdraft facility of £20k at Barclays Bank since inception. This overdraft increased over the years and in October 2018 increased from £300k to £400k. The Company had an invoice discounting facility with Bibby Financial Services from 2007. However, this was transferred to Aldermore in November 2017. The facility ran well initially but as time progressed and the number of foreign contract invoices and service contract invoices increased which Aldermore would not fund, the Company experienced difficulties with its cashflow required to fund all of the projects it was winning. In 2019 the Company had to withdraw from 5 projects totalling just over £1m in turnover that it

had won due to the lack of funds to be able to procure the necessary hardware. By mutual agreement the facility with Aldermore was terminated in mid-April 2019 and ceased in mid-July.

In June 2018 the Company made 6 redundancies to reduce the overheads of the business and in early 2019 the directors decided to close the performance space part of the business as few of the projects in this area were producing a profit.

Since 2016 the Company had been in discussions with a major banking customer regarding a project. In early 2018 the customer told the Company that they proposed to place the contract for an auditorium with the Company. In September 2018 the Company delivered to the customer a detailed system design for the auditorium, the Company anticipated that the second phase worth just over £4m would continue just after the first phase over the autumn of 2018 but the contract was not forthcoming until January 2019. As the project was technically challenging and would require most of the engineering staff they did not take on too many other projects leading to losses over autumn and winter 2018.

The Company did not have sufficient funds to be able to fund the level of procurement required for the project and the customer was not able to make up-front payments to cover this. The director had anticipated a £1m cash injection from an investor but was advised at the start of February 2019 that this funding had been declined. Some time later the customer advised the Company that the project would be completed by a competitor.

Having lost a £4m contract the Company attempted to plug the hole in the order book and also considered a number of re-financing options which were unsuccessful. The directors, therefore sought advice from Insolvency Practitioners and the Company was ultimately placed into Administration.

Immediately prior to the commencement of the Administration Robert Cundy and I acted as advisors to the Board as a whole acting on behalf of the Company. No advice was given to the individual directors regarding the impact of the insolvency of the company on their personal financial affairs. Whilst not formally in office at that time, we were still required to act in its dealings with the Company in accordance with the Insolvency Code of Ethics. We have had no other involvement with the Company or its directors.

As required by the Insolvency Code of Ethics, Robert Cundy and I considered the various threats to our objectivity arising from this prior involvement. We concluded that those threats were at an acceptable level such that we could still act objectively and hence could be appointed Administrators of the Company.

On 12 August 2019, Robert Cundy and I were appointed by the directors as Joint Administrators of the Company and took over from the Board responsibility for the management of the affairs, business and property of the Company. The appointment permitted the Joint Administrators to take any actions required either jointly or alone, and I have been the Administrator primarily involved in dealing with the Company's affairs.

## 3. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATORS' STRATEGY FOR ACHIEVING THEM

As Administrators of the Company, Robert Cundy and I are officers of the Court, and must perform our duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:

(a) rescue the Company as a going concern; or

(b) achieve 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

(c) realise property in order to make a distribution to one or more secured or preferential creditors.

As a result, we are seeking to achieve objective (b) for the Company, by having achieved a pre-pack sale of the business which took place on 12 August 2019.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If we are unable to complete the Administration of the Company within 12 months then we will either apply to the Court, or seek a decision from the creditors to extend the duration of the Administration.

## 4. ACTIONS OF THE ADMINISTRATORS FOLLOWING APPOINTMENT

Since I was appointed Administrator I have facilitated the pre-pack sale of the business to Powerhouse Systems Limited as per the SIP 16 disclosure already provided to creditors. I had to undertake this work in order to protect and realise the assets of the Company. In addition, I have undertaken routine statutory and compliance work, such as filing notice of our appointment at Companies House and preparing a gazette notice. These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out. In addition I have also been dealing with numerous queries from creditors and employees.

I attach a copy of the disclosure I have previously made to creditors about the pre-pack sale at Appendix 1. I was unable to issue my proposals at the time I made the SIP 16 disclosure because I was waiting for further information from the Company.

## 5. FINANCIAL POSITION OF THE COMPANY

I have asked the directors to prepare a summary of the Company's estimated financial position as at 12 August 2019, which is known as a Statement of Affairs, but they have not yet prepared it and they have requested an extension of time, which I have allowed. I understand that the reason for the delay is they are still gathering the necessary information.

In the absence of a Statement of Affairs I have prepared an estimate of the financial position of the Company as at 12 August 2019 from the records of the Company. I attach a copy of the estimate at Appendix 2, together with a list of names and addresses of all known creditors and the amounts of their debts other than in respect of employees, (since I am not permitted by the insolvency legislation to disclose such information).

**Comments on the Administrators' estimate of the financial position of the Company**

**Sale of Business**

A pre pack sale enabled the sale of assets as per the attached estimated outcome statement for £60,000. The assets were valued by Lambert Smith Hampton who also recommended the offer of £60,000 be accepted.

**Book debts**

On the basis of current information, the book value of debtors is £779,592, based on 70% collectability we estimate £545,714 is collectible. The director is assisting with the collection of these debts.

### 5.1. Preferential creditors

The only known preferential creditors are former employees of the Company for unpaid wages and holiday pay. Their claims are subject to a maximum limit set by the insolvency legislation.

### 5.2. 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.

The Company gave a fixed and floating charge to Aldermore Bank Plc on 31 October 2017. I have been advised that the money due to Aldermore Bank Plc has been fully repaid by the Company. As a result, I will not have to pay them any money under their floating charge, and the prescribed part provisions will not apply.

The Company gave a fixed and floating charge to Barclays Bank Plc on 2 May 2013. I understand that the debt has been repaid in full, I will not, therefore, have to pay them any money under their floating charge, and the prescribed part provisions will not apply.

The Company also gave a fixed and floating charge to Barclays Bank Plc on 3 February 1994. Since this charge was given before 15 September 2003 the prescribed part provisions will not apply.

## 6. ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

I attach a summary of the receipts and payments relating to the Company for the period from when it entered Administration, 12 August 2019, to the date of these proposals, at Appendix 3.

## 7. PROPOSED FUTURE ACTIONS OF THE ADMINISTRATORS TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

The objective of the Administration has been achieved as the pre-pack sale has achieved a better result for the creditors as a whole than would be likely if the Company were wound up without first being in Administration.

I will now proceed to collect the outstanding book debts, collection of which may continue into Liquidation.

I will adjudicate and make payment of any preferential claims and convert the Administration to a Creditors' Voluntary Liquidation.

## 8. ADMINISTRATORS' REMUNERATION AND EXPENSES

In this case I am seeking to fix the basis of my remuneration for the period of the Administration on a combination of a fixed fee basis and a percentage of realisations. The fixed fee basis is £30,000 and 5% of debtor realisations plus VAT. I attach a summary of what would be included within each category at Appendix 4.

In addition, I am seeking to draw a fixed fee of £10,000 plus VAT, 5% of debtor realisations and a percentage of distributions as set out below in respect of Liquidator's remuneration. A summary of what would be included within each category for both Administration and Liquidation is also attached.

| Percentage of distributions | |
|---|---|
| The first £20,000 | 25% |
| The next £80,000 | 10% |
| Over £100,000 | 6% |

If a Creditors' Committee is appointed, it will be for the Committee to approve the basis of the Administrator's remuneration. If a Committee is not appointed, then I will be seeking a decision from the creditors at the same time I seek a decision from them on whether or not to approve these proposals.

Information about this insolvency process may be found on the R3 website at http://www.creditorinsolvencyguide.co.uk/. A copy of 'A Creditors' Guide to Fees' may be found at http://www.edgerecovery.com/wp-content/uploads/2016/02/Administration-creditor-fee-guide-6-April-2017.pdf. The firm's charge-out rate and disbursement policy may be found at http://www.edgerecovery.com/links-and-downloads/document-downloads/.

The work for which fee approval is being sought includes the work that will need to be undertaken should the Joint Administrators be appointed Liquidators following conversion to Creditors' Voluntary Liquidation.

I have used the following agents or professional advisors since my appointment as Administrator:

| Professional Advisor | Nature of Work | Fee Arrangement |
|---|---|---|
| Lambert Smith Hampton | Valuer/Auctioneer | Time costs and percentage |
| Gowling WLG (UK) LLP | Solicitors | Time costs |

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

Lambert Smith Hampton undertook the valuation of the business and assets and carried out the necessary marketing and negotiating with interested parties in order to facilitate the pre-pack sale.

Gowling WLG (UK) LLP dealt with the sales contract and placing the Company into Administration.

My expenses incurred to date amount to £110.00 and represent:

| Type of expense | Amount incurred/accrued since appointment | Amount still to be paid |
|---|---|---|
| | | |
| Case Management Fee | £110.00 | £110.00 |

I have not yet drawn any expenses in this matter.

I anticipate that expenses totalling £10,712 will arise in these proceedings, together with any subsequent Liquidation as detailed in Appendix 5. Expenses do not have to be approved, but when reporting to any committee and the creditors during the Administration together with any subsequent Liquidation, the actual expenses incurred will be compared with the original estimate provided and I will explain any material differences (for example, where legal costs rise due to escalated recovery action).

## 9. PRE-ADMINISTRATION COSTS

*Where approval for any of the pre-administration costs is being sought:*

The Board of Directors instructed us to assist them in placing the Company in Administration on 12 July 2019.

I am requesting approval of my fees on a time costs basis. I attach an analysis of my time costs totalling £16,182 which represents 45.7 hours at an average hourly rate of £354.09 at Appendix 6.

In addition to our own time costs, the following expenses were incurred; Lambert Smith Hamptons costs amount to £9,638.08 plus VAT and Gowlings costs amount to £20,000 plus VAT.

The work undertaken prior to the Administration consisted of advice to the board of directors on behalf of the Company and liaising with Agents, Solicitors and interested parties with regard to the sale of business.

I also assisted the Board to take the appropriate steps to place the Company into Administration. This task, together with some of the other tasks mentioned above are required by statute or regulatory guidance, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

The following statement sets out my pre-administration costs incurred. The statement also shows those fees and expenses that were paid prior to the Administration and those where approval is being sought to pay them from Administration funds.

| Description | To be paid<br>£ |
|---|---|
| Insolvency Practitioner's remuneration | 16,182 |
| Valuation agents | 9,638 |
| Legal fees | 20,000 |
| Total | 45,820 |

If a Creditors' Committee is appointed, it will be for the Committee to approve payment of the pre-administration costs that have not yet been paid. If a Committee is not appointed, then since the pre-administration costs that have not yet been paid cannot be approved as part of these proposals, I am seeking a separate decision from the creditors in accordance with Rule 3.52 on whether or not to approve these costs.

Gowling WLG (UK) LLP undertook the necessary legal formalities to put the company into Administration. This amount will be paid as an expense of the Administration without needing to obtain the approval of creditors but is included in the cost estimate above.

## 10. ADMINISTRATORS' INVESTIGATIONS

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.

## 11. EC REGULATION ON INSOLVENCY PROCEEDINGS

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. I also consider that they are "main" proceedings since the Company's registered office and its trading addresses are in the United Kingdom.

## 12. ADMINISTRATORS' PROPOSALS

In order to achieve the objective set out at section 3 above, Robert Cundy and I formally propose to creditors that:

(a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that:

   (i) The business and assets sale (as per the pre-pack sale that has already taken place) is ratified;

   (ii) We collect the outstanding debtors;

   (iii) We 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; and

   (iv) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion 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 Administration will end by placing the Company into Creditors' Voluntary Liquidation, and we propose that Robert Cundy and Bijal Shah are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Liquidators. Creditors may nominate a different person(s) as the proposed liquidator(s), but they must make the nomination(s) at any time after these proposals are delivered to them, but before they are approved. Information about the approval of the proposals is set out at section 13.

If it is not deemed appropriate to place the Company into Liquidation;

(c) the Administration of the Company will end by filing notice of dissolution with the Registrar of Companies. The Company will then automatically be dissolved by the Registrar of Companies three months after the notice is registered.

## 13. APPROVAL OF PROPOSALS

I am seeking decisions by correspondence from the creditors to approve my proposals, approve my pre-administration costs and fix the basis of my remuneration. If a creditor wishes to vote on the decisions, they must complete and return the enclosed voting form to me by no later than 23.59 on 24 September 2019, the decision date. If a creditor has not already submitted proof of their debt, they should complete the enclosed form and return it to me, together with the relevant supporting documentation. A vote on the decisions by a creditor will not count unless they have lodged proof of their debt by no later than 23.59 on 24 September 2019.

Creditors are also invited to determine whether to form a Creditors' Committee, and a notice of invitation to form a Creditors' Committee and further instructions are enclosed. To enable the creditors to make an informed decision as to whether they wish to either seek to form a Committee, or to nominate themselves to serve on a Committee, further information about of the role of the Committee and what might be expected from its members has been prepared by R3 and can be found is available at the link http://www.edgerecovery.com/wp-content/uploads/2016/02/R3-Guide-to-Creditors-Committees.

**Please note that I must receive at least one vote by the decision date or the decisions will not be made. I would therefore urge creditors to respond promptly.**

Should any creditor or group of creditors wish to request a physical meeting of creditors, they must do so within 5 business days of the delivery of the notice that accompanies this letter. Such requests must be

supported by proof of their debt, if not already lodged. I will convene a meeting if creditors requesting a meeting represent a minimum of 10% in value or 10% in number of creditors or simply 10 creditors, where "creditors" means "all creditors."

## 14. FURTHER INFORMATION

I would inform you that when carrying out all professional work relating to an insolvency appointment, Insolvency Practitioners are bound by the Insolvency Code of Ethics. To comply with the Provision of Services Regulations, some general information about Edge Recovery Limited can be found at http://www.edgerecovery.com/links-and-downloads/document-downloads/. A copy of this document can be sent to you upon request.

The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679, as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. Our privacy statement, which can be accessed at http://www.edgerecovery.com/links-and-downloads/document-downloads/ explains how we process personal data. A copy of this document can be sent to you upon request.

If creditors have any queries regarding these proposals or the conduct of the Administration in general they should contact Jeannine Cirullo on the above telephone number, or by email at jeannine.cirullo@edgerecovery.com.

**Bijal Shah**
**Joint Administrator**

**SIP 16 disclosure**

Background to the Administration

The principal activity of the Company was that of television and video engineers, providers of broadcasting services and merchants of television and video equipment.

Details of the Company's registered charges:

- Barclays Bank Plc, Fixed and Floating charge dated 3 February 1994
- Aldermore Bank Plc, Fixed and Floating charge dated 31 October 2017

A summary of the Company's recent trading performance is shown below.

| | Statutory Accts 1/11/16 to 31/10/17 £'000 | Statutory Accts 1/5/16 to 31/10/16 £'000 | Statutory Accts 1/11/14 to 30/4/16 £'000 |
|---|---|---|---|
| Turnover | 11,535 | 4,708 | 15,289 |
| Cost of Sales | (7,324) | (2,605) | (11,525) |
| Gross Profit | 4,211 | 2,103 | 3,764 |
| *Gross Profit %* | *36%* | *44%* | *24%* |
| Administrative Expenses | (3,714) | (1,544) | (4,264) |
| Net Profit/Loss after tax | 372 | 431 | (455) |

The Company was experiencing cashflow difficulties following negotiations regarding a large contract, which had incurred costs for the business but did not come to fruition. In addition the Company was in the process of refinancing. However, the refinancing was declined, leaving no other option for the Company but to be placed into an insolvency process.

Role of the Insolvency Practitioner

We were introduced to the Board of the Company by Ashok Bhardwaj of Bhardwaj Insolvency Practitioners on 12 July 2019, when we first met with Peter Fell, a Director to discuss the financial affairs of the Company. Prior to the commencement of the Administration we advised the Board as a whole, acting on behalf of the Company, about the Company's financial difficulties and provided advice about the options available to the Company to help determine an appropriate course of action to take. No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, we were still required to act in our dealings with the Company in accordance with the Insolvency Code of Ethics.

We assisted the directors to instruct independent agents, Lambert Smith Hampton ("LSH"), to consider and provide a valuation of the Company's assets and to undertake an initial marketing of the business and assets to be able to assess the interest and prospects of a sale of the business and assets as a going concern, following which a plan to deal with the Company's issues could be established.

Ultimately the Company was placed into Administration and we were appointed Joint Administrators. As Joint Administrator we are officers of the Court and have taken over the management of the Company from the Board. The purpose of the Administration is to achieve one of the hierarchy of statutory objectives, namely to:-

(a) rescue the Company as a going concern; or

(b) achieve 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

(c) realise property in order to make a distribution to one or more secured or preferential creditors.

We will be proposing to seek to achieve objective (b). More information about the objective we are seeking to achieve in respect of the Company is set out below.

In order to help us achieve the objective we have a wide range of powers, as set out in the insolvency legislation, and we must perform our functions as quickly and efficiently as is reasonably practicable. We must also act in the interests of the creditors of the Company as a whole.

Pre-appointment considerations

Alternative courses of action were considered. However, due to increasing creditor pressure and as detailed below, in order to achieve maximum realisations in respect of book debts it was agreed that the Company should be placed into Administration. A pre pack sale was considered the most suitable option to achieve the best result for creditors as discussed below.

It was not appropriate to trade the business and offer it for sale as a going concern during the Administration due to the value of the work in progress order book. There were 11 contracts that were part completed, but which were expected to complete in August, with an estimated amount remaining to invoice of £134,000. However, the costs to complete amounted to £67,000. With an estimated gross profit of £67,000 in the first month and a wages bill of £220,000 per month, without including the additional fixed costs of the business, it appeared that there was no prospect of making a profit in the first month, without obtaining additional revenue sources.

This position did not take into account the risk of losing the contracts that were being completed, the attitude of suppliers to continue to supply products, the morale of staff and the costs of the administrator in carrying out the trading.

There appeared to be better prospects of obtaining gross profit in the second month, with gross profit of £277,000 from projected work in progress to be completed. However, it would appear that the company would not be able to trade for the length of time necessary to benefit from this work.

According to the company's cash flow forecast for the month of August, it was estimated that the bank balance would decrease by approximately £160,000. Although this included payments to existing creditors, it does reflect the potential losses that may have been suffered in the short term.

The valuation provided by the agents relied heavily on achieving a higher realisable value for the stock being held. After taking into account that there was no working capital to operate with and the risk of losing the potential buyer that already existed, we believed that the risk of losing in excess of £200,000 in trading in the first month was not going to yield a higher offer that would compensate for the losses made.

The main asset of the Company was book debts totalling some £931,260. Following a sale of the business the director advised that it is expected that 80% of these debts will be recovered. Whereas, if there is no sale, the expected recovery would reduce to 50%. This is due to the ongoing service required to satisfy customer contracts and prevent disputes arising.

Existing book debts had an estimated to realise value of between £460,000 and £720,000. However, work in progress which was to be completed by the end of July, was to result in further debts of approximately £300,000 owing to the company, which were anticipated to be recoverable.

With the prospective sale proceeds of £60,000, the total assets of the company would be worth between £820,000 and £1,080,000.

It was clear that the Company could not continue and would have to cease trading. There was a serious risk that the assets of the Company, including the debtors, would be impacted if the Company ceased trading.

A sale of the business at the time would secure the realisation for the assets. It would reduce the potentially significant liabilities due to the employees and it should enhance the potential to recover the debtor balances owed to the company.

A sale would remove the risk of continuation of trade and the prospect that the potential purchaser might withdraw their offer, where little other interest had been shown, following the marketing activity.

The pre-pack sale of the business enables us to achieve the objective set out above as it achieves a better result for the creditors as a whole than would be likely if the Company had been placed into Liquidation without first being in Administration.

The transfer of the employees to the purchaser also means that the Company has reduced creditors. We can also confirm that the outcome achieved as a result of the pre-pack sale was the best available outcome for creditors of the Company as a whole in all the circumstances of the case and that it did not unnecessarily harm the interests of the creditors of the Company as a whole.

Prior to commencing with the sale we consulted with the secured creditors Barclays Bank Plc and Aldermore Bank Plc. In addition I notified Funding Circle and Nucleus of the Company's intentions, from which no objections were received.

Valuation of the business and assets

Lambert Smith Hampton ("LSH") valued the business, they are qualified by the Royal Institution of Chartered Surveyors.

The valuer has confirmed its independence and also confirmed that it carries adequate professional indemnity insurance.

Valuations of the business are detailed below, valuations given were market value as a whole for assets in place and market value for removal of assets, with a 6 week marketing period.

| **Asset category** | ***Valuation basis & amount (£)*** Market Value as a whole in place | Market Value for removal (6 week marketing period) | **Sale Consideration (£)** |
|---|---|---|---|
| Leasehold property | Nil | Nil | Nil |
| Stock | 327,000 | 64,500 | 43,994 |
| Work in progress | 235,000 | Speculative | 1 |
| Plant & Equipment | 21,250 | 5,800 | }15,000 |
| Office equipment | 16,000 | 5,700 | } |
| Service Maintenance Contracts | 35,000 | Speculative | } |
| Motor Vehicles | 10,500 | 7,600 | } |
| Books & records | | | 1 |
| Intellectual Property | | | 1 |
| Information Technology | | | 1 |
| Websites | | | 1 |
| Customer Contracts | | | 1 |
| Goodwill | | | 1,000 |
| **Total** | **644,750** | **83,600** | **60,000** |

As you will note the break-up value of the assets was estimated to be £83,600. LSH advised that in an online auction perhaps there could be an uplift of say 10% over and above a dealer trade sale could produce of say £90,000. However, from this would have to be deducted costs of holding a sale and, whilst not calculated, LSH advised that it would not be unrealistic to assume these costs could be in the order of say £15,000 to cover marketing, Health and Safety, porterage and other ancillary costs etc., plus their sale commission of £9,000 and so result in a realisation net of costs of some £66,000.

In addition the sale allows for a higher recovery of the book debts which would be greatly jeopardised if the business were to close and also reduces the preferential and unsecured claims.

The sale achieved was, therefore, recommended by LSH.

Marketing of the business and assets

LSH attended the Company's premises on 15 July and subsequently prepared a marketing strategy and an email taster was sent to their database and used to list on the LSH Business For Sale section of their website on 18 July. They reported that the marketing undertaken resulted in 15 enquiries of which 11 returned the completed NDA who were granted access to the data room. They reported that none of the parties wished to progress and attend and view the business, but the feedback from a couple of parties was that the business would require too much working capital in the short term, just to survive, whilst the order book was refilled with new commissions etc. and they felt the risks were too great to progress their initial interest further.

One offer however come forward from Media Powerhouse ("MPH"), which is known to and has come through Peter Fell, the director. They initially offered £100,000 immediate cash consideration for the Goodwill and all Unencumbered Assets of Feltech Electronics Ltd, to include stocks, the right to the website domain, all furniture and vehicles, computer hardware, software and licences and test equipment and existing contracts, subject to client agreement. We were informed that the purchaser also required a licence to occupy the company's premises for a period.

Subsequent to this, the purchaser withdrew its offer due to concerns over the costs of TUPE. However, a revised offer of £60,000 was then put forward, which LSH recommended be accepted.

We were informed that the purchaser will be a subsidiary company of MPH, set up specifically for this acquisition and MPH will hold 50% of the shares, with the other 50% being held by a company called Staging Connections Limited. It is understood that the existing directors and shareholders of Feltech Electronics Limited will not be directors or shareholders of either the purchasing company or its shareholders.

From a review of records at Companies House there is no obvious connection between the existing directors / shareholders and the purchasing entities. Accordingly, it was not considered that an application to the pre-pack pool was necessary. However, the director and the purchaser have been made aware of our recommendation to apply to the pre-pack pool, should a connection, of which we are not aware, exist.

With no other interest being expressed for the business, the sale being proposed was the only one available and LSH have recommended acceptance rather than enter into protracted trading, which could be loss making and damaging to the company.

Details of the pre-pack sale

A sale of the business took place on 12 August 2019 to Powerhouse Systems Limited.

The sale consideration received totalled £60,000. The funds have been paid in full and are currently held by our Solicitors.

In determining whether to recommend the sale of the business, we considered the alternative, being the ability to trade and seek higher offers for the business.

We considered the order book at the time and the cash flow forecasts, both of which were provided to us by the director. We also enquired whether it would be possible to reduce staff numbers to alleviate the wages burden.

As discussed above an immediate sale was deemed to be in the best interests of the creditors as it realised the work in progress order book, is considered to improve realisation of debtors and, by the transfer of a substantial number of employees, reduced creditor claims.

The secured creditor Aldermore Bank has confirmed that there are no amounts due to it. Barclays Bank Plc has been paid from book debt realisations prior to the Administration. Peter Fell had given guarantees to Nucleus, Funding Circle, Aldermore Bank and Barclays Bank Plc.

Conclusion

The proposals will be issued to creditors in the next few days. A stand-alone SIP 16 disclosure is, therefore, being issued to creditors in the meantime.

A pre-pack sale was considered in the best interest of the creditors as a whole. As discussed above if the Company had continued to trade in Administration this would have risked making a significant trading loss, as well as incur costs, both of which could not be recovered from an enhanced sale consideration. Achieving a sale also reduced the value of any preferential and unsecured claims.

I confirm that the sale price achieved, and also the outcome, was the best available outcome for creditors of the Company as a whole in all the circumstances of the case and that the pre-pack sale achieves the statutory purpose of the Administration that I am seeking to achieve in respect of the Company.

F. Cirillo

Bijal Shah and Robert Cundy
Joint Administrators

**Feltech Electronics Limited - In Administration**

**Estimated Financial Position (before costs of the Administration)**

| | | Estimated to realise £ |
|---|---|---|
| **Assets** | | |
| Leasehold Property | | |
| Stock | | |
| Plant & Equipment | | |
| Office Equipment | | |
| Service Maintenance Contracts | | |
| Motor Vehicles | | 60,000 |
| Books & Records | | |
| Intellectual Property | | |
| Information Technology | | |
| Websites | | |
| Customer Contracts | | |
| Goodwill | | |
| Book Debts (70%) | | 545,714 |
| **Assets available for preferential creditors** | | 605,714 |
| Preferential creditors | | (80,261) |
| **Assets available for unsecured creditors** | | 525,453 |
| Trade Creditors | 1,888,378 | |
| HM Revenue & Customs | 265,633 | |
| Loans | 544,481 | |
| Employee Claims | 20,669 | |
| | | (2,719,161) |
| **Total shortfall as regards unsecured creditors** | | (2,193,708) |
| Ordinary shareholders | | (23,966) |
| **Total Estimated shortfall** | | (2,217,674) |

**B - COMPANY CREDITORS**

Note: You must include all creditors and identify any creditors under hire-purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods or services and creditors claiming retention of title over property in the company's possession.

| Name of creditor or claimant | Address (with postcode) | Creditor Type | Amount of debt | Details of any security held by creditor | Date security given | Value of security |
|---|---|---|---|---|---|---|
| A & B Engineering | Unit 20 Victoria Industrial Park, Victoria Road, Dartford, DA1 5AJ | Trade Creditor | £5,028.12 | | | £0.00 |
| A1 Tools & Fixings Ltd | Unit 29, Soothouse Spring, Valley Road Industrial Estate, St Albans, Hertfordshire, AL3 6PF | Trade Creditor | £2,463.96 | | | £0.00 |
| Abbey Autos Limited | Unit 30 Soothouse Spring, Valley Road Industrial Estate, St Albans, Hertfordshire, AL3 6PF | Trade Creditor | £627.27 | | | £0.00 |
| Advance Change | The Pump House, 73 Dunstable Road, Redbourn, St Albans, Hertfordshire, AL3 7PP | Trade Creditor | £297.60 | | | £0.00 |
| Advanced Paints | Unit 1 Barley Close Farm, New Road, Bromham, SN15 2JA | Trade Creditor | £26.33 | | | £0.00 |
| Allen Hire | 50-52 Albert Road North, Reigate, Surrey, RH2 9EL | Trade Creditor | £1,471.43 | | | £0.00 |
| Allstar Business Solutions Ltd | PO Box 1463, Windmill Hill, Swindon, Wiltshire, SN5 6PS | Trade Creditor | £1,791.31 | | | £0.00 |
| Ampetronic Ltd | Northern Road, Newark, Nottinghamshire, NG24 2ET | Trade Creditor | £9,335.64 | | | £0.00 |
| Andelscott Consulting Limited | 79 Westwood Drive, Amersham, Bucks, HP6 6RR | Trade Creditor | £825.00 | | | £0.00 |
| Andolite Limited | Unit A Rennie Gate, West Portway Industrial Estate, Andover, Hampshire, SP10 3TU | Trade Creditor | £120.41 | | | £0.00 |
| Anixter Europe | Inspired, Easthampstead Road, Bracknell, Berkshire, RG12 1YQ | Trade Creditor | £3,174.00 | | | £0.00 |
| APC-Overnight | Unit 16 Brick Knoll Park, Ashley Road, St Albans, Hertfordshire, AL15UG | Trade Creditor | £541.70 | | | £0.00 |
| Apple Retail UK Limited | 5th Floor, 6 St Andrew Street, London, EC4A 3AE | Trade Creditor | £3,024.92 | | | £0.00 |
| ARC (UK) Systems Ltd | Unit 9, Carnival Business Park, Carnival Way, Basildon, Essex, SS14 3WN | Trade Creditor | £356.15 | | | £0.00 |
| Audio Visual Dave Ltd | 5 Harrisons Rise, Croydon, Surrey, CR0 | Trade Creditor | £600.00 | | | £0.00 |

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|---|---|---|---|---|---|---|
| | 4LL | | | | | |
| Audio Visual Material Ltd | Unit 4, J4 Estate, Doman Road, Camberley, Hampshire, GU15 3LB | Trade Creditor | £27,488.80 | | | £0.00 |
| Audio Visual Sheetmetal Ltd | Unit 9, Heronden Road, Maidstone, Kent, ME15 9YR | Trade Creditor | £1,887.12 | | | £0.00 |
| Audio-technica | Technica House, Unit 5, Millenium Way, Leeds, West Yorkshire, LS11 5AL | Trade Creditor | £454.00 | | | £0.00 |
| Autograph Sales Ltd | | Trade Creditor | £23,220.00 | | | £0.00 |
| Avex B.V. | De Corridor 19,, 3621 ZA Breukelen, Postbus 23, 3620 AA Breukelen, Netherlands | Trade Creditor | £4,171.70 | | | £0.00 |
| AVIXA | GROUND FLOOR, SUITE F, BREAKSPEAR PARK, HEMEL HEMPSTEAD, HPS 4TZ | Trade Creditor | £1,020.00 | | | £0.00 |
| Ayno Videoconferenze s.r.l. | via di Monserrato, Rome, 126-00186, Italy | Trade Creditor | £3,655.49 | | | £0.00 |
| Aztec | Geoffrey Furber Services Ltd, 18 Eden Way, Pages Industrial Park, Leighton Buzzard, Bedfordshire, BR6 8EN | Trade Creditor | £144.00 | | | £0.00 |
| Barco NV-Pres & Sim | Noordlaan 5, 8520 Kuurne, Belgium | Trade Creditor | £672.00 | | | £0.00 |
| Beacon Clothing Solutions | Unit 4c Portland Industrial Estate,, Albone Avenue, Arlesey, Hertfordshire, SG15 6SG | Trade Creditor | £1,609.80 | | | £0.00 |
| Blue Chip Data Systems Ltd | Data House, 19-25 Nuffield Road, Nuffield Industrial Estate, Poole, Dorset, BH17 0RU | Trade Creditor | £4,662.34 | | | £0.00 |
| Bosch Security Systems Ltd | Broadwater Park, North Orbital Road, OO Box 750, Denham, Uxbridge, UB9 5ZJ | Trade Creditor | £33,922.48 | | | £0.00 |
| Bose Limited | Bose House, Quayside, Chatham Maritime, Chatham, Kent, ME4 4QZ | Trade Creditor | £6,035.56 | | | £0.00 |
| Brandon Hire Ltd | 72-75 Feeder Road, St Philips, Bristol, BS2 0TQ | Trade Creditor | £1,444.80 | | | £0.00 |
| Bryant Unlimited | 70b Stafford Road, Croydon, Surrey, CR0 4NE | Trade Creditor | £3,456.26 | | | £0.00 |
| Bureau Veritas Certification | Atlas Business Park, Simonsway, Wythenshaw, Manchester, Lancashire, M22 5HF | Trade Creditor | £5,252.24 | | | £0.00 |
| Buttle's | Unit 26, Soothouse Spring, St Albans, Hertfordshire, AL3 6NX | Trade Creditor | £132.61 | | | £0.00 |
| BWS Intergration Ltd | 18 Sheerlands Road, Arborfield, Berkshire, RG2 9ND | Trade Creditor | £40,477.49 | | | £0.00 |
| Canford Audio | Crowther Road, Washington, Tyne and Wear, NE38 0BW | Trade Creditor | £4,492.10 | | | £0.00 |

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|---|---|---|---|---|---|---|
| Castle Cases | Units 8/9 Vanguard Business Park, Tamworth, Staffordshire, B77 5GF | Trade Creditor | £534.00 | | | £0.00 |
| CIE-Group Ltd | Widdowson Close, Blenheim Industrial Estate, Bulwell, Nottingham, Nottinghamshire, NG6 8WB | Trade Creditor | £258.30 | | | £0.00 |
| Clarks of Amersham | Higham Mead, Chesham, Bucks, HP5 2AH | Trade Creditor | £1,123.27 | | | £0.00 |
| Combined Precision Comp | Faraday Drive, Fulwood, Preston, Lancashire, PR2 4PP | Trade Creditor | £0.01 | | | £0.00 |
| Community UK Limited | 2 Redwood Crescent, Peel Park, East Kilbride, G51 2JR | Trade Creditor | £145,529.40 | | | £0.00 |
| Connectix Limited | 500 Avenue West, Skyline 120, Braintree, Essex, CM77 7AA | Trade Creditor | £6,727.33 | | | £0.00 |
| Crestron | Munro House, Portsmouth Road, Cobham, Surrey, KT11 1TF | Trade Creditor | £303,038.45 | | | £0.00 |
| Crestron Europe BVBA | Oude Keerbergsebaan 2,, 2820 Rijmenam, Belgium | Trade Creditor | £42,356.10 | | | £0.00 |
| CVS International | 20 Tallon Road, Hutton Industrial Estate, Brentwood, Essex, CM13 1TJ | Trade Creditor | £798.00 | | | £0.00 |
| db Show Control&Automation | Unit G.20 One Trinity Green, Eldon Street, South Shields, Tyne and Wear, NE33 1SA | Trade Creditor | £5,358.00 | | | £0.00 |
| Dewar's Fork Truck Ltd | Tollgate Farm, St Albans, Tollgate Road, Colney Heath, St Albans, Herts, AL40NY | Trade Creditor | £117.00 | | | £0.00 |
| Direct Cable Systems Limited | Parkbury Estate, Handley Page Way, Colney Street, St Albans, Hertfordshire, AL2 2DQ | Trade Creditor | £10,086.65 | | | £0.00 |
| Eagle Systems | 50 Union Street, Barnet, Hertfordshire, EN5 4HZ | Trade Creditor | £2,512.07 | | | £0.00 |
| Edmundson Electrical Ltd | Unit 1 Dencora Centre, Campfield Road, St Albans, Hertfordshire, AL1 5HN | Trade Creditor | £826.59 | | | £0.00 |
| ES Broadcast | Unit 34, Orbital 25 Business Park, Dwight Road, Watford, Herts, WD18 9DA | Trade Creditor | £20,446.28 | | | £0.00 |
| ESCO | | Trade Creditor | £69,191.59 | | | £0.00 |
| Everflow Water | Wynyard Business Park, Wynyard, TS22 5FG | Trade Creditor | £74.91 | | | £0.00 |
| Evertz UK Limited | 100 Berkshire Place, Wharfdale Road, Winnersh Triangle, Berkshire, RG41 5RD | Trade Creditor | £7,983.00 | | | £0.00 |
| Exterity Ltd | St Davids House, St Davids Drive, Dalgety Bay, KY11 9NB | Trade Creditor | £3,052.15 | | | £0.00 |
| Farnell Electronic Components | Canal Road, Leeds, West Yorkshire, LS12 2TU | Trade Creditor | £917.48 | | | £0.00 |

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|---|---|---|---|---|---|---|
| Feltech Property LLP | 5 Homewood Road, St Albans, Hertfordshire, AL1 4BE | Trade Creditor | £0.01 | | | £0.00 |
| FiberStore | Third Floor, 207 Regent Street, London, W1B 3HH | Trade Creditor | £30.40 | | | £0.00 |
| First Network Limited | Rowdell Road, Northolt, Middlesex, UB5 5QR | Trade Creditor | £816.00 | | | £0.00 |
| Fitting Image | 21 Bluebell Business Park, Old Naas Road, Dublin, Ireland | Trade Creditor | £11,979.46 | | | £0.00 |
| Flanders Scientific Inc | Karl Huysmans bvba, Duwijckstraat 17, 2500 Lier, Belgium | Trade Creditor | £695.28 | | | £0.00 |
| Flexible & Specialist Cables | Alban Point, Alban Park, Hatfield Road, St Albans, Hertfordshire, AL4 0JX | Trade Creditor | £2,573.46 | | | £0.00 |
| Flaximise (White Oak) | | Loan Investment | £52,658.75 | | | £0.00 |
| For-A (UK) Ltd | Trident Court, 1 Oakcroft Road, Chessington, Surrey, KT9 1BD | Trade Creditor | £7,177.92 | | | £0.00 |
| Foremost Electronics Ltd | 14 Bluegate Business Park, Great Bardfield, Essex, CM7 4PZ | Trade Creditor | £330.06 | | | £0.00 |
| Forest View Hotel | 227 Romford Road, Forest Gate, London, E7 9HL | Trade Creditor | £606.90 | | | £0.00 |
| Funding Circle | 71 Queen Victoria Street, London, EC4V 4AY | Loan Investment | £212,440.04 | | | £0.00 |
| Global Broadcast Installations | 269 Streetbrook Road,, Solihull, B911RS | Trade Creditor | £1,650.00 | | | £0.00 |
| Gorgy Timing SAS | Quartier Beauregard, La Mure d'Isère, 38350, France | Trade Creditor | £1,657.53 | | | £0.00 |
| GPA BV | Breukelen | Trade Creditor | £17,351.85 | | | £0.00 |
| Grimebusters | 26a Salisbury Avenue, St Albans, Hertfordshire, AL1 4TU | Trade Creditor | £2,771.60 | | | £0.00 |
| Habitech Limited | Unit K, The Loddon Centre, Wade Road, Basingstoke, Hampshire, RG24 8FL | Trade Creditor | £256.44 | | | £0.00 |
| Hazelmere Fire Protection | 3 Manor View, Hazlemere, High Wycombe, Buckinghamshire, HP15 7SX | Trade Creditor | £686.80 | | | £0.00 |
| Herts Tool Company | Lyon Way, Hatfield Road, St Albans, Hertfordshire, AL4 0LR | Trade Creditor | £0.01 | | | £0.00 |
| Hewshott International | Acorn House, 25 East Street, Farnham, Surrey, GU9 7SD | Trade Creditor | £1,069.92 | | | £0.00 |
| Hive Industries Ltd | Unit 7, Polais Centre. 41 Brownfields,, Welwyn Garden City, Hertfordshire, AL7 1AN | Trade Creditor | £3,981.84 | | | £0.00 |
| HM Revenue & Customs | Debt Management, Insolvency Claim Handling Unit, Room BP3202, Benton Park | HM Revenue & Customs | £265,632.65 | | | £0.00 |

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|---|---|---|---|---|---|---|
| | View, Longbenton, Newcastle Upon Tyne, NE98 1ZZ | | | | | |
| HSS Hire Service Group PLC | 25 Willow lane, Mitcham, Surrey, CR4 4TS | Trade Creditor | £1,573.05 | | | £0.00 |
| Ian Kelsey Editing Limited | 10b Gibbons Close, Sandridge, Hertfordshire, AL4 9EP | Trade Creditor | £17,659.38 | | | £0.00 |
| IGUS UK | Caswell Road, Northampton, Northamptonshire, NN4 7PW | Trade Creditor | £15,664.09 | | | £0.00 |
| Imago - Scansource | 20 Thatcham Business Village, Colthrop Way, Thatcham, Berkshire, RG19 4LW | Trade Creditor | £166,581.19 | | | £0.00 |
| In The Field Audio Ltd | The Farm Office, Mill Lane, Colne Engaine, Essex, CO6 2HX | Trade Creditor | £5,400.00 | | | £0.00 |
| Ingram Micro | 7 Clarendeonn Drive, Wymbush, Milton Keynes, Buckinghamshire, MK8 8ED | Trade Creditor | £10,054.68 | | | £0.00 |
| Investec | C/O Baker Tilly, Creditor Services, Salisbury Close, 31 Finsbury Circus, London, EC2M 5SQ, United Kingdom | Trade Creditor | £0.00 | | | £0.00 |
| IoCo Ltd | 43 High Street, Marlow, Buckinghamshire, SL7 1BA | Trade Creditor | £1,161.00 | | | £0.00 |
| ITM Components Ltd | 10 Whittle Road, Ferndown Industrial Estate, Wimborne, Dorset, BH21 7RU | Trade Creditor | £6,382.50 | | | £0.00 |
| Iwoca | | Loan Investment | £95,957.52 | | | £0.00 |
| J&C Joel Limited (UK) | Corporation Mill, Corporation Street, Sowerby Bridge, Halifax, HX6 2QQ | Trade Creditor | £1,095.48 | | | £0.00 |
| Jan Langford | 56 Prestwold way, Aylesbury, Bucks, HP19 8GZ | Trade Creditor | £12,933.55 | | | £0.00 |
| Jigsaw System Ltd | The Old Mills, High Church Street, Nottigham, Nottinghamshire, NG7 7JA | Trade Creditor | £162.49 | | | £0.00 |
| JVC Kenwood UK Limited | JVC House, JVC Business Park, 12 Priestley Way, London, NW2 7BA | Trade Creditor | £50.47 | | | £0.00 |
| Kelsey Acoustics Ltd | 9 Lyon Road, Walton On Thames, Surrey, KT12 3PU | Trade Creditor | £51.41 | | | £0.00 |
| Kingston Smith LLP | Devonshire House, 60 Goswell Road, Barbican, London, EC1M 7AD | Trade Creditor | £16,961.35 | | | £0.00 |
| Kramer Electronics UK Ltd | Unit 2 Premus, Coldharbour Way, Aylesbury, Buckinghamshire, HP19 8AP | Trade Creditor | £1,273.40 | | | £0.00 |
| Lang-ag Ltd | 2 Maxted Court, Maxsted Road, Hemel Hempstead, Hertfordshire, HP2 7BL | Trade Creditor | £9,900.00 | | | £0.00 |
| LDF Loan | | Loan Investment | £91,446.10 | | | £0.00 |
| Leisuretec Distribution Ltd | Unit 3L Cherrycourt Way, Stanbridge Road, Leighton Buzzard, Bedfordshire, | Trade Creditor | £14,574.53 | | | £0.00 |

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|---|---|---|---|---|---|---|
| | LU7 8UH | | | | | |
| Lighting Ever | 145-157 St John Street, London, London, EC1V 4QJ | Trade Creditor | £48.50 | | | £0.00 |
| Lindy Connection Perfection | Sadler Forster Way, Teeside Industrial Estate, Thornaby, Stockton On Tees, TS17 9JY | Trade Creditor | £258.58 | | | £0.00 |
| Lucid Partnership LLP | 11 Waterside, Oxenhope, Keighley, West Yorkshire, BD22 9HW | Trade Creditor | £6,000.00 | | | £0.00 |
| Lynx Technik (UK) Limited | 55a Peach Street, Wokingham, RG40 1XP | Trade Creditor | £3,480.00 | | | £0.00 |
| Mayflex UKLimited | Excel House, Junction Six Industrial Park, Electric Avenue, Birmingham, B6 7JJ | Trade Creditor | £785.60 | | | £0.00 |
| Media Powerhouse Limited | Parkbury Estate, Unit 13, Handley Page Way, St Albans, Hertfordshire, AL2 2DQ | Trade Creditor | £105,876.52 | | | £0.00 |
| Mentor Computer Systems plc | Systems House, Unit 23, Henlow Camp Trading Estate, Henlow, Bedfordshire, SG16 6DS | Trade Creditor | £335.32 | | | £0.00 |
| Michael Day Aerial & Satellite Supplies Ltd | Unit 47a, Bicester Road, Aylesbury, Buckinghamshire, HP19 8AL | Trade Creditor | £954.00 | | | £0.00 |
| Midwich Ltd | Vinces Road, Diss, Norfolk, IP22 4YT | Trade Creditor | £5,391.25 | | | £0.00 |
| Mitchells & Butlers Leisure Ltd (TA Browns Brasser | 27 Fleet Street, Birmingham, B3 1JP | Trade Creditor | £450.00 | | | £0.00 |
| Mouser Electronics Inc | 1000 North Main Street, Masefield, TX 76063, United States | Trade Creditor | £16.60 | | | £0.00 |
| Nucleus Commercial Finance Ltd | 2 Gee's Court, Marylebone, London, W1U 1JA | Loan Investment | £73,177.20 | | | £0.00 |
| Nuvias - Siphon Networks Ltd | Brecon House, William Brown Close, Llantarnam, NP44 3AB | Trade Creditor | £22,160.00 | | | £0.00 |
| Office Depot International (UK) Ltd T/A Viking Direct | 501 Beaumont Leys Lane, Leicester, LE4 2BN | Trade Creditor | £320.94 | | | £0.00 |
| Omega Digital Technologies (Pty) Ltd | Unit E1, Phase 3, Northlands Deco Park, New Market Road, Randburg, Gauteng, South Africa | Trade Creditor | £403.12 | | | £0.00 |
| Pacer International | Unit 3-4 Horseshoe Park, Pangbourne, Reading, Berkshire, RG8 7JW | Trade Creditor | £872.40 | | | £0.00 |
| Panasonic UK A Branch of Panasonic Marketing GmbH | Maxis 2, Western Road, Bracknell, Berkshire, RG12 1RT | Trade Creditor | £25,259.81 | | | £0.00 |
| Partex Direct | 61-64 Station Road, Coleshill, Birmingham, B46 1JT | Trade Creditor | £422.16 | | | £0.00 |
| Pearce Recycling Co.Ltd | Pearce House, Acrewood Way, St Albans, Hertfordshire, AL4 0JY | Trade Creditor | £74.80 | | | £0.00 |

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|---|---|---|---|---|---|---|
| Penn Elcom Ltd | 9-10 Parsons Road, Parsons Industrial Estate, Washington, Tyne and Wear, NE37 1HB | Trade Creditor | £177.36 | | | £0.00 |
| Pexip Ltd | Fyning Lodge, Rogate, Petersfield, Hampshire, GU31 5EF | Trade Creditor | £37,614.22 | | | £0.00 |
| Phabrix Limited | Omega House, Enterprise Way, Thatcham, RG19 4AE | Trade Creditor | £220.80 | | | £0.00 |
| Phonak | Sonova UK Limited,, Sonova House,, Lakeside Drive, Center Park, Warrington, Cheshire, WA1 1RX | Trade Creditor | £11,788.80 | | | £0.00 |
| Polar Audio | 17 Albert Drive, Burgess Hill, West Sussex, RH15 9TN | Trade Creditor | £4,882.60 | | | £0.00 |
| Precise AV Ltd | 48 Palmersfield Rd, Banstead, Surrey, SM7 2LD | Trade Creditor | £24,038.38 | | | £0.00 |
| Prospero Recruitment Ltd | 3rd Floor,, 15 Worship Street, London, EC2A 2DT | Trade Creditor | £19,551.98 | | | £0.00 |
| Raven Computers Limited | Raven House, Kings Gate, Bradford, West Yorkshire, BD1 4SJ | Trade Creditor | £0.01 | | | £0.00 |
| RGB Communications Ltd | 2 Lowesden Business Park, Lambourn Woodlands, Hungerford, Berkshire, RG17 7RY | Trade Creditor | £28,048.10 | | | £0.00 |
| Ribbex (UK) Ltd | 34 Burrowfields,, Welwyn Garden City,, Hertfordshire,, AL7 4SR | Trade Creditor | £476.22 | | | £0.00 |
| SAFEContractor | Brecon House, Caerphilly Business Park, Caerphilly, Mid Glamorgan, CF83 3GG | Trade Creditor | £458.00 | | | £0.00 |
| Sage Group PLC | PO Box 541, Doncaster, South Yorkshire, DN4 5WQ | Trade Creditor | £30.00 | | | £0.00 |
| Sahara Presentation Systems | Willlams House, 61 Halley Road, Erith, Kent, DA18 4AA | Trade Creditor | £444.00 | | | £0.00 |
| SAT-TECH COMMUNICATIONS | 157 Gibsons Hill, London, SW16 3ES | Trade Creditor | £1,742.40 | | | £0.00 |
| Secom PLC | Comewell House, North Street, Horsham, West Sussex, RH12 1BQ | Trade Creditor | £3,183.76 | | | £0.00 |
| Sennheiser UK Ltd | Pacific House, Third Avenue, Globe Park, Marlow, Buckinghamshire, SL7 1EY | Trade Creditor | £17,040.36 | | | £0.00 |
| SET2SCREEN | 31 Hartley Down, Purley, Surrey, CR8 4EF | Trade Creditor | £57,949.60 | | | £0.00 |
| SKS Business Services Ltd | 3 Sheen Road, Richmond, TW9 1AD | Trade Creditor | £1,600.00 | | | £0.00 |
| Small Tree Communications | 845 Hayward Avenue North, Oakdale, 55128-7152, United States | Trade Creditor | £2,429.76 | | | £0.00 |
| Softron-MicSONICrocomputing | Avenue Molière, 470, 1050 Brussels, | Trade Creditor | £392.03 | | | £0.00 |

| | | | | | | |
|---|---|---|---|---|---|---|
| S.A. | Belgium | | | | | |
| Solis Integration Ltd | 33 Thorneycroft Lane, Downhead Park, Milton Keynes, MK15 9BB | Trade Creditor | £57,481.39 | | | £0.00 |
| Sonic Foundry | 222 West Washington Avenue, Madison, Wisconsin 53703, United States | Trade Creditor | £24,140.01 | | | £0.00 |
| Sonitex Ltd | 61 Station Road, Irthlingborough, Northamptonshire, NN9 5QE | Trade Creditor | £193.99 | | | £0.00 |
| Sound Directions Ltd | Unit C, Roebuck Road, Chessington, Surrey, KT9 1EU | Trade Creditor | £1,842.48 | | | £0.00 |
| Sound Foundation Ltd | Unit 5, Headley Park 10, Headley Road East, Woodley, Berkshire | Trade Creditor | £5,958.60 | | | £0.00 |
| Sound Systems Technology | Unit 7 and 9, Bentinck Court,, Bentinck Road, RG5 4SW | Trade Creditor | £0.01 | | | £0.00 |
| Sound Technology Ltd | 17 Letchworth Point, Letchworth Garden City, Hertfordshire, SG6 1ND | Trade Creditor | £6,136.32 | | | £0.00 |
| St Albans District Council | District Council Offices, Civic Centre, St Peter's St, St Albans, Hertfordshire, AL1 3EJ | Trade Creditor | £21,318.00 | | | £0.00 |
| St Albans Van Hire | Ronsons Way, St Albans, Hertfordshire, AL4 9PZ | Trade Creditor | £78.70 | | | £0.00 |
| Stackhouse Poland Group | Plough Court, 37 Lombard Street, London, EC3V 9BQ | Trade Creditor | £42,635.20 | | | £0.00 |
| Studiospares Ltd | 964 North Circular Road, Staples Corner, Neasden, London, NW2 7JR | Trade Creditor | £365.77 | | | £0.00 |
| Symbiosis iMedia Systems Ltd | 47 The Parade, Leamington Spa, Warwickshire, CV32 4BL | Trade Creditor | £1,411.20 | | | £0.00 |
| SYSWIRE Ltd | 5 Gainsborough Drive, Northfleet, Kent, DA11 8NH | Trade Creditor | £1,062.00 | | | £0.00 |
| TAS AV Solutions Ltd | 94 Marlborough Road, Chingford, London, E4 9AL | Trade Creditor | £1,550.00 | | | £0.00 |
| Tech Data | Hampshire House, Wade Road, Basingstoke, Hampshire, RG24 8PL | Trade Creditor | £4,918.60 | | | £0.00 |
| Tectronic | 17 Horstone Road, Great Sutton, Ellesmere Port, Cheshire, CH66 2JN | Trade Creditor | £367.50 | | | £0.00 |
| Tempura Communications Ltd | Tempura House, Prisma Park, Berrington Way, Basingstoke, Hampshire, RG24 8GT | Trade Creditor | £199.20 | | | £0.00 |
| TimTECH Solutions | 13 Mount Pleasant, Blackboys, Uckfield, TN22 5LH | Trade Creditor | £12,960.00 | | | £0.00 |
| Travion IT Distribution BV | Stationsstraat 31, 6515 AA Nijmegen-Noord, Netherlands | Trade Creditor | £422.44 | | | £0.00 |

| | | | | | | |
|---|---|---|---|---|---|---|
| TSI touch | | Trade Creditor | £385.23 | | | £0.00 |
| TSL Professional Products Ltd | TSL Professional Products Ltd., Units 1&2, First Avenue, Globe Park, Marlow, Buckinghamshire, SL7 1YA | Trade Creditor | £34,669.20 | | | £0.00 |
| U Choose Ltd | nbandy@hotmail.co.uk | Trade Creditor | £42,783.56 | | | £0.00 |
| UCI2I | Unit 1, Bell Centre DAte, Newton Road, Crawley, RH10 9FZ | Trade Creditor | £1,108.08 | | | £0.00 |
| Ultimate Visual Solutions | PO Box 482, Burnley, Lancashire, BB11 9BX | Trade Creditor | £9,146.88 | | | £0.00 |
| UNICOL | Green Road, Headington, Oxford, Oxfordshire, OX3 8EU | Trade Creditor | £8,706.23 | | | £0.00 |
| Unique AV Solutions Ltd | 58 Pippins Close, West Drayton, UB7 7XH | Trade Creditor | £6,810.00 | | | £0.00 |
| VBrick Systems Inc | 12 Beaumont Road, Wallingford, CT 06492, United States | Trade Creditor | £9,416.92 | | | £0.00 |
| VDC Trading (Cabling) Ltd | VDC House, 4 Brandon Road, London, N7 9AA | Trade Creditor | £2,090.37 | | | £0.00 |
| VIDCAD | | Trade Creditor | £1,318.87 | | | £0.00 |
| Videndа Distribution Ltd | 10 Orchard Business Centre, 2009 Orchard Avenue, Citywest Business Campus, Dublin, Ireland | Trade Creditor | £5,574.59 | | | £0.00 |
| Visiondotcom Ltd | Enterprise House Strathmore Road, Rowlands Gill, Tyne and Wear, Rowlands Gill, NE39 1HZ | Trade Creditor | £88.95 | | | £0.00 |
| Visual Displays Ltd | 60 Singer Way, Kempston, Bedford, Bedfordshire, MK42 7AF | Trade Creditor | £0.01 | | | £0.00 |
| VuWall Technology Europe GmbH | Lustnauer Str. 78, 72127 Kusterdingen, Germany | Trade Creditor | £9,822.25 | | | £0.00 |
| Westcon Group | Merchant's House, Love Lane, Cirencester, Gloucestershire, GL7 1YG | Trade Creditor | £22,473.54 | | | £0.00 |
| White Oak | | Loan Investment | £18,801.15 | | | £0.00 |
| Woodworks Interiors UK Ltd | Unit B4,, Angel Road Works, Advent Way, London, N18 3AH | Trade Creditor | £1,824.00 | | | £0.00 |
| XTBA | Unit 2, The Old Curatage, The Street, Caston, Norfolk, NR17 1DD | Trade Creditor | £511.20 | | | £0.00 |
| Yamaha Music Europe | Sherbourne Drive, Tilbrook, Milton Keynes, MK7 8BL | Trade Creditor | £13,324.16 | | | £0.00 |
| Employee(s) | | Employee(s) | £100,929.92 | | | £0.00 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Totals | | | £2,799,422.02 | | | £0.00 |

**Feltech Electronics Limited - In Administration**
**Joint Administrators' Abstract of Receipts & Payments**

**From 12 August 2019 to 3 September 2019**

| S of A £ | | £ |
|---|---|---|
| | **RECEIPTS** | |
| NIL | Bank Interest Gross | 19.23 |
| NIL | Sale of Business | 60,000.00 |
| NIL | | 60,019.23 |
| | **PAYMENTS** | |
| NIL | | NIL |
| 0 | | (NIL) |
| 0 | **CASH IN HAND** | 60,019.23 |

**Feltech Electronics Limited - In Administration**
**Dated: 3 September 2019**
**Details of Fees**

| **Administration** | | **£** |
|---|---|---|
| Fixed Fee | | 30,000 |
| Percentage of realisations | | |
| Debtors | 5% | 27,286 |
| **TOTAL IN ADMINISTRATION** | | **57,286** |
| **Liquidation** | | |
| Fixed Fee | | 10,000 |
| Percentage of realisations | | |
| Debtors | 5% | *balance not realised in Administration* |
| Percentage of distributions | | |
| First £20,000 at 25% | | 5,000 |
| Next £80,000 at 10% | | 8,000 |
| Over £100,000 at 6% | | 17,100 |
| **TOTAL IN LIQUIDATION** | | **40,100** |

**Appendix 4: Details of work to be undertaken in the Administration**

**Work for which the Administrator is seeking to be remunerated on a fixed fee basis:** There are certain tasks that I have to carry out on nearly every case, namely Administration and Creditors. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still have to be carried out.

After taking into account the nature and value of the assets involved, highlighted above, I have concluded that a fixed fee of £20,000 plus VAT is necessary to cover that work. I have also compared the proposed fixed fee with our past time records for undertaking the work in respect of cases of a similar size and complexity and taken that into account when determining the level of the fixed fee sought, and as a result I believe that this demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken.

| General Description | Includes |
|---|---|
| **Administration (including statutory reporting)** | *This represents the work that is involved in the routine administrative functions of the case by the office holder and his staff, together with the control and supervision of the work done on the case by the office holder and his 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.* |
| Statutory/advertising | Filing of documents to meet statutory requirements<br>Advertising in accordance with statutory requirements |
| Document maintenance/file review/checklist | Filing of documents<br>Periodic file reviews<br>Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards<br>Maintenance of statutory and case progression task lists/diaries<br>Updating checklists |
| Bank account administration | Preparing correspondence opening and closing accounts<br>Requesting bank statements<br>Bank account reconciliations<br>Correspondence with bank regarding specific transfers<br>Maintenance of the estate cash book<br>Banking remittances and issuing cheques/BACS payments |
| Planning /review | Discussions regarding strategies to be pursued<br>Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case |
| Books and records / storage | Dealing with records in storage<br>Sending case files to storage |
| Creditor reports | Disclosure following pre-pack sale of assets SIP 16<br>Preparing proposal, six monthly progress reports, conversion to CVL and final report<br>Seeking extension via creditors (where appropriate) |
| Creditors' decisions | Preparation of decision notices, proxies/voting forms<br>Collate and examine proofs and proxies/votes to establish decisions<br>Consider objections received and requests for physical meeting or other decision procedure<br>Responding to queries and questions following decisions<br>Issuing notice of result of decision process |
| **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* |

| General Description | Includes |
|---|---|
| | *of creditors. If potential recoveries or matters for further investigation are identified then the office holder will need to incur additional time 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. The office holder is also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.* |
| SIP 2 Review | Collection, and making an inventory, of company books and records<br>Correspondence to request information on the company's dealings, making further enquiries of third parties<br>Reviewing questionnaires submitted by creditors and directors<br>Reconstruction of financial affairs of the company<br>Reviewing company's books and records<br>Preparation of deficiency statement<br>Review of specific transactions and liaising with directors regarding certain transactions<br>Liaising with the committee/creditors or major creditors about further action to be taken |
| Statutory reporting on conduct of director(s) | Preparing statutory investigation reports<br>Liaising with the Insolvency Service<br>Submission of report to the Insolvency Service<br>Preparation and submission of supplementary report (if required)<br>Assisting the Insolvency Service with its investigations |
| **Creditors (claims and distribution to preferential creditors)** | *Employees - The office holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Office (RPO). That work will include dealing with queries received from both the ex-employees and the RPO to facilitate the processing of the claims. The office holder is required to undertake this work as part of his statutory functions.*<br>*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 will also have 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.* |
| Creditor communication | Receive and follow up creditor enquiries via telephone<br>Review and prepare correspondence to creditors and their representatives via facsimile, email and post<br>Assisting employees to pursue claims via the RPO<br>Corresponding with the PPF and the Pensions Regulator |
| Dealing with proofs of debt ('POD') | Receipting and filing POD<br>Corresponding with RPO regarding POD |
| Processing proofs of debt | Preparation of correspondence to preferential creditors inviting submission of POD<br>Receipt of POD<br>Adjudicating POD<br>Request further information from claimants regarding POD<br>Preparation of correspondence to claimant advising outcome of adjudication |
| Distribution procedures | Preparation of correspondence to preferential creditors advising of intention to declare distribution<br>Preparation of distribution calculation<br>Preparation of correspondence to preferential creditors announcing declaration of distribution<br>Preparation of cheques/BACS to pay distribution |

| General Description | Includes |
|---|---|
| | Preparation of correspondence to preferential creditors enclosing payment of distribution<br>Seeking unique tax reference from HMRC, submitting information on PAYE/NI deductions from employee distributions and paying over to HMRC<br>Dealing with unclaimed dividends |
| Creditors' Committee | **No fees estimate has been provided since this will not incur any costs unless a Committee is elected** |

**Work for which the Administrator is seeking to be remunerated on a percentage basis:**

There are certain tasks that I only have to carry out where there are assets to recover. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. I undertake the work to protect and then realise the assets, initially at my own cost, suffering the loss if any asset is not realisable. If assets are recovered, I first recover my costs and then distribute any balance. I am seeking to recover a percentage of the property that I have to deal with, in order to remunerate me for the work that I undertake in respect of protecting and then realising that property. The percentage I propose to charge will also share the anticipated benefit with the creditors. I am seeking to recover 5% of debtor realisations.

Based on the book debts of the Company being realised for £545,714, then my remuneration based on a percentage of such realisations would be £27,286.

I think the percentage I am seeking approval for reflects the risk that I am taking, the nature of the assets involved, and the complexity of the Administration, as highlighted above. As a result, I believe that this demonstrates why the percentages proposed are expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken.

| | |
|---|---|
| Debtors and retentions | Collecting supporting documentation<br>Correspondence with debtors<br>Reviewing and assessing debtors' ledgers<br>Liaising with solicitors<br>Dealing with disputes, including communicating with directors/former staff<br>Pursuing credit insurance claims |

**a) The Joint Liquidators' Fees Estimate**

Whilst it is anticipated that the Company will move from Administration to CVL in order to pay a dividend to creditors, the timing of that move is currently unknown and therefore it is not known what work will remain to be carried out by the Joint Liquidators' once the Administration is terminated. Despite these uncertainties, to ensure that the Joint Liquidators' can act immediately to administer the winding up without needing to incur additional costs in reverting to creditors with information on their estimates, set out below is the Joint Liquidators' Fees Estimate.

The Joint Administrators do not anticipate that it will be necessary to seek approval for fees in excess of this estimate. However, should additional work be necessary beyond what is contemplated, further approval may be sought from creditors.

While I am required to maintain records of creditors' claims in all cases, in those cases where sufficient realisations are made to enable me to pay a dividend to creditors, I have to undertake certain statutory formalities. This includes writing to all creditors who have not lodged proofs of debt and reviewing the

claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

Full information about the work that I will undertake as a percentage of realisations and distributions is above.

The office holder is also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.

Dividends - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This includes writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.

**Work for which the Liquidator is seeking to be remunerated on a fixed fee basis:**

| General Description | Includes |
|---|---|
| Administration (including statutory reporting) | *This represents the work that is involved in the routine administrative functions of the case by the office holder and his staff, together with the control and supervision of the work done on the case by the office holder and his 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.* |
| Statutory/advertising | Filing of documents to meet statutory requirements<br>Advertising in accordance with statutory requirements |
| Document maintenance/file review/checklist | Filing of documents<br>Periodic file reviews<br>Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards<br>Maintenance of statutory and case progression task lists/diaries<br>Updating checklists |
| Bank account administration | Preparing correspondence opening and closing accounts<br>Requesting bank statements<br>Bank account reconciliations<br>Correspondence with bank regarding specific transfers<br>Maintenance of the estate cash book<br>Banking remittances and issuing cheques/BACS payments |
| Planning / review | Discussions regarding strategies to be pursued<br>Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case |
| Books and records / storage | Dealing with records in storage<br>Sending job files to storage |
| Creditor reports | Preparing annual progress reports, final account, investigation and general reports to creditors |
| Liquidation Committee | **No fees estimate has been provided since this will not incur any costs unless a Committee is elected** |

**Work for which the Liquidator is seeking to be remunerated on a percentage basis:**

| | |
|---|---|
| **Realisation of Assets** | *This is the work that needs to be undertaken to protect and then realise the known assets in the case.* |
| Debtors | Where the following tasks have not been completed in the Administration:<br>Collecting supporting documentation<br>Correspondence with debtors |

| | |
|---|---|
| | Reviewing and assessing debtors' ledgers<br>Receiving updates from factoring companies and liaising reassignment of ledger<br>Liaising with debt collectors and solicitors<br>Agreeing debt collection agency agreements<br>Dealing with disputes, including communicating with directors/former staff<br>Pursuing credit insurance claims<br>Submitting VAT bad debt relief claims |
| **Creditors (claims and distributions to unsecured 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 will also have 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.*<br>*Dividends - the office holder has to undertake certain statutory formalities in order to enable him to pay a dividend to creditors. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors.* |
| Creditor Communication | Receive and follow up creditor enquiries via telephone<br>Review and prepare correspondence to creditors and their representatives via facsimile, email and post<br>Corresponding with the PPF and the Pensions Regulator |
| Processing proofs of debt | Preparation of correspondence to potential creditors inviting submission of POD<br>Receipt of POD<br>Adjudicating POD<br>Request further information from claimants regarding POD<br>Preparation of correspondence to claimant advising outcome of adjudication |
| Dividend procedures | Preparation of correspondence to creditors advising of intention to declare distribution<br>Advertisement of notice of intended distribution<br>Preparation of distribution calculation<br>Preparation of correspondence to creditors announcing declaration of distribution<br>Preparation of cheques/BACS to pay distribution<br>Preparation of correspondence to creditors enclosing payment of distribution<br>Seeking unique tax reference from HMRC, submitting information on PAYE/NI deductions from employee distributions and paying over to HMRC<br>Dealing with unclaimed dividends |

**Appendix 5: Estimate of expenses to be incurred in the Administration and subsequent Liquidation**

| Type of expense | Estimated Amount £ |
|---|---|
| Bonding - this is insurance required by statute that every officeholder has to obtain for the protection of each estate, with the premium being based on the value of the company's assets | 420 |
| Gazetting – various notices relating to the company have to be placed in the London Gazette | 292 |
| Case set up fee | 220 |
| Gowling WLG (UK) LLP, solicitors – TUPE queries | 10,000 |
| Legal assistance debtor collection (if required) | 10% (unknown) |
| Total estimated expenses | 10,712 |

**Pre Appointment Remuneration Schedule**
**Feltech Electronics Limited**
**Between 07 July 2019 and 11 August 2019**

| Classification of work function | Partner/ Director | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost | Average Hourly Rate |
|---|---|---|---|---|---|---|---|
| Administration and Planning | 12.60 | 7.60 | 0.00 | 2.80 | 23.00 | 7,446.00 | 323.74 |
| Enquiries & Investigations | 0.60 | 0.00 | 0.00 | 0.00 | 0.60 | 234.00 | 390.00 |
| Realisation of Assets | 11.90 | 0.90 | 0.00 | 0.00 | 12.80 | 4,911.00 | 383.67 |
| Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Creditors (inc Employee Matters) | 8.90 | 0.40 | 0.00 | 0.00 | 9.30 | 3,591.00 | 386.13 |
| Case Specific Matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Statutory and compliance | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Reporting | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| **Total hours** | 34.00 | 8.90 | 0.00 | 2.80 | 45.70 | | |
| **Time costs** | 13,260.00 | 2,670.00 | 0.00 | 252.00 | | 16,182.00 | |
| **Average hourly rate** | 390.00 | 300.00 | 0.00 | 90.00 | | | 354.09 |

**Summary of Fees**

| | | |
|---|---|---|
| Time spent in administering the Assignment | **Hours** | 45.70 |
| Total value of time spent to 11 August 2019 | £ | 16,182.00 |
| Total Pre Appointment fees charged to 11 August 2019 | £ | 0.00 |

## NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

**Company Name:** **Feltech Electronics Limited - In Administration ("the Company")**
**Company Number:** **02356972**
**In the High Court of Justice** **No. CR-2019-005052**

This Notice is given under Rule 3.39 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Bijal Shah and Robert Cundy of Edge Recovery Limited, Hayes House, 6 Hayes Road, Bromley, Kent, BR2 9AA, (telephone number +44 (0)20 8315 7430), who were Appointed by the Directors. In certain cases, it may be appropriate to form a committee. The members of the committee need to be creditors of the company and will be involved in assisting the Joint Administrators, where necessary. The position is unpaid, although some expenses may be reclaimed. The role of the committee is to act in the general interests of all creditors of the company. To have a committee, it will be necessary to have a minimum of 3 and a maximum of 5 members. A committee will be formed if sufficient creditors are willing to act.

Creditors are invited to nominate creditors (which may include themselves) by providing nominations in writing to:

By post to: Hayes House, 6 Hayes Road, Bromley, Kent, BR2 9AA
By fax to: +44 (0)20 8315 7431
By email to: jeannine.cirullo@edgerecovery.com

Please note that, if you are sending nominations by post, you must ensure that you have allowed sufficient time for the Notice to be delivered to the address above by the date set out below. An email is treated as delivered at 9am on the next business day after it was sent.

**All nominations must be delivered by: 23:59 on 24 September 2019**

Nominations can only be accepted if the Convener of the meeting is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules, being that (a) the person has proved for a debt (b) the debts is not fully secured (c) the proof has not been wholly disallowed for voting purposes, or rejected for the purpose of distribution or dividend. No person can be a member as both a creditor and a contributory. A body corporate may be a member of a creditors' committee but it cannot act otherwise than by an appointed representative.

For further information on the role of Creditors' Committees, go to http://www.edgerecovery.com/wp-content/uploads/2016/02/R3-Guide-to-Creditors-Committees.pdf. If you are unable to access this document, please contact the office and a copy will be made available free of charge.

Bijal Shah
Joint Administrator

Dated: 3 September 2019

# PROOF OF DEBT - GENERAL FORM

**Company Name: Feltech Electronics Limited - In Administration ("the Company")**

Date of Administration: 12 August 2019

| | **DETAILS OF CLAIM** | |
|---|---|---|
| 1. | Name of Creditor (if a company, its registered name) | |
| 2. | Address of Creditor (i.e. principal place of business) | |
| 3. | If the Creditor is a registered company:<br>• For UK companies: its registered number<br>• For other companies: the country or territory in which it is incorporated and the number if any under which it is registered<br>• The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act | |
| 4. | Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25 | £ |
| 5. | If the total amount above includes outstanding uncapitalised interest, please state | YES (£ ) / NO |
| 6. | Particulars of how and when debt incurred | |
| 7. | Particulars of any security held, the value of the security, and the date it was given | |
| 8. | Details of any reservation of title in relation to goods to which the debt relates | |
| 9. | Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.] | |
| 10. | Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 | Category<br><br>Amount(s) claimed as preferential £ |
| | **AUTHENTICATION** | |
| Signature of Creditor or person authorised to act on his behalf | | |
| Name in BLOCK LETTERS | | |
| Date | | |
| If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor | | |
| Are you the sole member of the Creditor? | | YES / NO |

## NOTICE OF DECISION PROCEDURE

**Company Name:** **Feltech Electronics Limited - In Administration ("the Company")**
**Company Number:** **02356972**
**In the High Court of Justice - No. CR-2019-005052**

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Bijal Shah and Robert Cundy of Edge Recovery Limited, of 27 Church Street, Rickmansworth, Hertfordshire, WD3 1DE, (telephone number +44 (0)20 8315 7430), who were Appointed by the Directors.

Creditors are invited to vote by correspondence on the following (for the full wording of proposed decisions, see overleaf):

1. The approval of the Administrator's Statement of Proposals
2. That a Creditors' Committee will not be established
3. The timing of the Administrator's discharge
4. The basis of the Administrator's fees
5. The basis of the Liquidator's fees
6. The approval of the pre-Administration costs

Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Joint Administrators' by one of the methods set out below:

By post to: Hayes House, 6 Hayes Road, Bromley, BR2 9AA
By fax to: +44 (0)20 8315 7431
By email to: jeannine.ciruilo@edgerecovery.com

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the Decision Date set out below. An email is treated as delivered at 9am on the next business day after it was sent.

**All voting forms and proofs of debt must be delivered by the Decision Date: 23.59 on 24 September 2019.**

If the Joint Administrators have not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the Decision Date.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:
10% in value of the creditors
10% in number of the creditors
10 creditors

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Bijal Shah
Joint Administrator

Dated: 3 September 2019

## VOTE BY CORRESPONDENCE

**Company Name:** **Feltech Electronics Limited - In Administration ("the Company")**
**Company Number:** **02356972**
**In the High Court of Justice - No. CR-2019-005052**

**Name of Creditor:** _____

**Address:** _____

_____

**Decisions:**

| | | |
|---|---|---|
| 1 | That the Joint Administrators' Statement of Proposals be approved. | *For / Against |
| 2 | **Please note that a resolution to decide whether to form a Creditors' Committee is required by Insolvency Legislation. If you wish for a Creditors' Committee to be formed you should vote against this resolution. If sufficient votes against this resolution are received a further decision procedure to consider the appointment of a Creditors' Committee who will decide on the following resolutions, will be convened.**<br><br>That a Creditors' Committee will **not** be established. | *For / Against |
| 3 | That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of the Joint Administrators ceases to have effect, as defined by the Act, unless the court specifies a time. | *For / Against |
| 4 | In the event that a Creditors' Committee is not appointed that the Joint Administrators be authorised to draw their remuneration on a combination of a fixed fee basis and percentage basis, as set out in the fees estimate dated 3 September 2019 totalling £57,286 plus VAT, with such remuneration to be drawn on account from time to time as funds permit. | *For / Against |
| 5 | In the event that a Creditors' Committee is not appointed that the Joint Liquidators be authorised to draw their remuneration on a combination of a fixed fee basis and percentage basis, as set out in the fees estimate dated 3 September 2019 totalling £40,100 plus VAT, with such remuneration to be drawn on account from time to time as funds permit. | *For / Against |
| 6 | In the event that a Creditors' Committee is not appointed that the unpaid pre-Administration costs set out in the Administrator's Proposal on a time costs basis totalling £45,820 plus VAT be approved. | *For / Against |

*** Please delete as applicable to indicate your voting instructions**

Signed: _____ Dated: _____

Name in capitals: _____

Position with, or relationship to, creditor or other authority for signature: _____

Are you the sole member/shareholder of the creditor (where it is a company)? Yes / No

**Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23.59 on 24 September 2019, by:**
**Post: Hayes House, 6 Hayes Road, Bromley, BR2 9AA**
**Fax: +44 (0)20 8315 7431**
**Email: please scan in a signed copy of this form and attach it as a pdf to jeannine.cirullo@edgerecovery.com**

# AM03
## Notice of Administrator's Proposals

### 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.


Bijal Shah

Edge Recovery Limited

Hayes House, 6 Hayes Road

Bromley

Kent

Postcode B R 2 9 A A

DX

+44 (0)1923 776 223


### 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 and dated 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

# Continuation page

Name and address of insolvency practitioner

**What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. Use extra copies to tell us of additional insolvency practitioners.

**What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

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

All fields are mandatory unless specified or indicated by *

## 1 Appointment type

*Tick to show the nature of the appointment:*

- ☐ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

## 2 Insolvency practitioner's name

| | |
|---|---|
| Full forename(s) | |
| Surname | |

## 3 Insolvency practitioner's address

| | |
|---|---|
| Building name/number | |
| Street | |
| | |
| Post town | |
| County/Region | |
| Postcode | |
| Country | |