

In accordance with  
Rule 3.60 of the  
Insolvency (England  
& Wales) Rules 2016  
& Paragraph 83(3) of  
Schedule B1 to the  
Insolvency Act 1986.

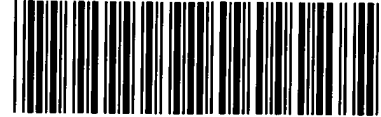
# AM22

## Notice of move from administration to creditors' voluntary liquidation



Companies House

THURSDAY



\*A98XHHLT\*

A19

09/07/2020

#125

COMPANIES HOUSE

1

### Company details

Company number 02356972

Company name in full Feltech Electronics Limited

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

2

### Court details

Court name High Court of Justice

Court case number C R 2019 005052

3

### Administrator's name

Full forename(s) Bijal

Surname Shah

4

### Administrator's address

Building name/number 27 Church Street

Street

Post town Rickmansworth

County/Region Hertfordshire

Postcode WD3 1DE

Country


**AM22**

Notice of move from administration to creditors' voluntary liquidation

<b>5</b>	<b>Administrator's name</b>	
Full forename(s)	Robert	<b>Other administrator</b> Use this section to tell us about another administrator.
Surname	Cundy	
<b>6</b>	<b>Administrator's address</b>	
Building name/number	Hayes House	<b>Other administrator</b> Use this section to tell us about another administrator.
Street	6 Hayes Road	
Post town	Bromley	
County/Region	Kent	
Postcode	B R 2 9 A A	
Country		
<b>7</b>	<b>Appointor/applicant's name</b>	
Give the name of the person who made the appointment or the administration application.		
Full forename(s)	PETER	
Surname	FELL	
<b>8</b>	<b>Proposed liquidator's name</b>	
Full forename(s)	Bijal	
Surname	Shah	
Insolvency practitioner number	8 7 1 7	
<b>9</b>	<b>Proposed liquidator's address</b>	
Building name/number	27 Church Street	
Street		
Post town	Rickmansworth	
County/Region	Hertfordshire	
Postcode	W D 3 1 D E	
Country		

**AM22**

Notice of move from administration to creditors' voluntary liquidation


<b>10</b>		<b>Proposed liquidator's name</b>	
Full forename(s)	Robert		
Surname	Cundy		
Insolvency practitioner number	9 4 9 5		
<b>11</b>		<b>Proposed liquidator's address</b>	
Building name/number	Hayes House		
Street	6 Hayes Road		
Post town	Bromley		
County/Region	Kent		
Postcode	B R 2 9 A A		
Country			
<b>12</b>		<b>Period of progress report</b>	
From date	1 2 0 2 2 0 2 0		
To date	0 9 0 7 2 0 2 0		
<b>13</b>		<b>Final progress report</b>	
		<input checked="" type="checkbox"/> I have attached a copy of the final progress report.	
<b>14</b>		<b>Sign and date</b>	
Administrator's signature	X  X		
Signature date	0 9 0 7 2 0 2 0		


**Other liquidator**  
Use this section to tell us about another liquidator.




**Other liquidator**  
Use this section to tell us about another liquidator.

**AM22**

Notice of move from administration to creditors' voluntary liquidation

 <b>Presenter information</b>	
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	
27 Church Street	
27 Church Street	
Rickmansworth	
Hertfordshire	
Postcode	W D B 1 D E
DX	
+44 (0)1923 776 223	

 <b>Checklist</b>
We may return forms completed incorrectly or with information missing.
<b>Please make sure you have remembered the following:</b>
<input type="checkbox"/> The company name and number match the information held on the public Register.
<input type="checkbox"/> You have attached the required documents.
<input type="checkbox"/> You have signed and dated the form.

 <b>Important information</b>
All information on this form will appear on the public record.
 <b>Where to send</b>
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.
 <b>Further information</b>
For further information please see the guidance notes on the website at <a href="http://www.gov.uk/companieshouse">www.gov.uk/companieshouse</a> or email <a href="mailto:enquiries@companieshouse.gov.uk">enquiries@companieshouse.gov.uk</a>

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://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.<sup>6</sup> 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 \*

### Appointment type

Tick to show the nature of the appointment:

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

⑥ 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,
- WUD7, 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

**Joint Administrators' Final Progress Report relating to  
Feltech Electronics Limited ("the Company") – In Administration**

## **Feltech Electronics Limited – In Administration**

### **STATUTORY INFORMATION**

Company name:	Feltech Electronics Limited
Court name and reference	High Court of Justice CR-2019-005052
Company number:	02356972
Trading address:	7 Long Spring, St Albans, Hertfordshire, AL3 6PE
Registered office:	Hayes House, 6 Hayes Road, Bromley, Kent, BR2 9AA
Former registered office:	5 Homewood Road, St Albans, Hertfordshire, AL1 4BE
Principal trading activity:	Manufacture of communication equipment
Joint Administrators' names:	Bijal Shah and Robert Cundy
Joint Administrators' address:	Hayes House, 6 Hayes Road, Bromley, Kent, BR2 9AA
Date of appointment	12 August 2020
Appointment made by:	Peter Fell - Director
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.

### **SUMMARY OF THE ADMINISTRATORS' PROPOSALS**

The following proposals were approved by the creditors by way of a Decision Procedure on 24 September 2019.

In order to achieve the objective, Robert Cundy and I:

- (a) 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.

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.

#### **STEPS TAKEN DURING THE ADMINISTRATION**

As you are aware from previous reports, the business and assets of the Company were sold as a pre-pack sale to Powerhouse Systems Ltd for a total of £60,000.

We have also been pursuing debtors due to the Company. Any debtors not yet collected have been passed to solicitors to pursue.

Since my last report preferential creditor claims have been agreed and paid. As per the terms of the sale agreement with Powerhouse Systems Limited, it is responsible for the claims made against the Company for those employees that were transferred to it. Payment has been made to the Insolvency Service for its preferential claim against the Company for which Powerhouse Systems Limited has indemnified the Company in respect of the transferred employees.

There is certain work that I am required by the insolvency legislation to undertake in connection with the Administration that provides no financial benefit for the creditors. A description of the routine work undertaken since my last progress report is contained in Appendix 2.

#### **OUTCOME OF ADMINISTRATION**

The purpose of the Administration has been achieved, the preferential creditors have been paid in full and a dividend will be available to the unsecured creditors.

As per the terms of the proposals the Administration will end by being placed into Creditors' Voluntary Liquidation, during which collection of the debtors will continue and a dividend will be paid to the unsecured creditors.

#### **RECEIPTS AND PAYMENTS ACCOUNT**

My Receipts & Payments Account for the period from 12 February 2020 to 9 July 2020 is attached at Appendix 1. The Receipts and Payments account shows that the balance of £313,101.72 will be transferred to the Liquidator.

The receipts and payments account is in the main self-explanatory. Payment of £4,500 plus VAT was made to Bhardwaj Limited, a firm of insolvency practitioners with regard to giving assistance to the directors in preparing the Statement of Affairs. Bhardwaj Limited was instructed by the directors.

#### **ASSETS**

##### **Sale of Business**

As you are aware from previous reports, the business and assets were sold in a pre-pack sale for a total of £60,000, as per the receipts and payments account.

##### **Debtors**

The Statement of Affairs shows debtors with a book value of £784,675 and an estimated to realise value of £545,714. To date £454,372.65 has been collected in the Administration and debts totalling £161,701.79 have been written off. Debts were initially being collected with the assistance of the director and after a short period of time debt collection was continued by my staff. Judge & Priestly LLP, solicitors, have now been instructed to assist in collecting the remaining debtors. These debts will continue to be collected in the Liquidation.



## **LIABILITIES**

### **Secured Liabilities**

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following 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

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.

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 any money under their floating charge, and the prescribed part provisions will not apply.

I understand that the debt due to Barclays Bank Plc has been repaid in full, no payment is, therefore, due under the 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.

Payments were deducted from the pre-appointment bank account by Barclays totalling £22,180.30 in respect of amounts due to Barclaycard in the reporting period.

### **Preferential Creditors**

The statement of affairs anticipated £94,721 in preferential creditors. As per the terms of the sale agreement with Powerhouse Systems Ltd it was agreed that Powerhouse Systems Ltd would indemnify the Administrators for any claims received in respect of the employees that were transferred to it. A preferential dividend has been agreed and paid in respect of arrears of wages up to £800 per employee and arrears of holiday pay.

The total dividend due to preferential creditors is £83,358.70. Of this amount £48,612.14 has been paid to the Insolvency Service in respect of claims made to it by employees for arrears of wages and arrears of holiday pay. £36,211.18 of the amount paid to the Insolvency Service relates to amounts claimed by those employees transferred to Powerhouse Systems Ltd and is due to be repaid to the Company.

£6,301.35 plus tax of £2,965.36 is due to those employees that were made redundant prior to the pre pack sale for arrears of wages and arrears of holiday pay. £6,301.35 has been paid directly to the employees and the tax of £2,965.36 has been paid to HMRC.

The balance of £25,479.87 is due to be paid directly by Powerhouse Systems Limited to those employees that were transferred to it.

A further amount is also due in respect of outstanding pension contributions. We are in the process of liaising with NEST pensions in order to agree the correct figure for outstanding contributions.

### **Crown Creditors**

The statement of affairs included £265,633 owed to HMRC. HMRC has submitted its claim in the Administration of £423,977.84. £81,626.60 of this claim relates to a VAT assessment.

### **Non-preferential Unsecured Creditors**

The statement of affairs included 221 non-preferential unsecured creditors with an estimated total liability of £2,855,460. I have received claims from 90 creditors at a total of £3,306,978.30. We have received a number of claims that are higher than the figure shown in the Statement of Affairs and have also received claims from creditors whose claims were not included in the Statement of Affairs.

### **DIVIDEND PROSPECTS**

#### **Preferential creditors**

A dividend has been paid to preferential creditors as detailed above.

#### **Unsecured creditors**

A dividend will be declared to non-preferential unsecured creditors and accordingly the Company has been placed into Creditors' Voluntary Liquidation to facilitate the distribution. The amount of the dividend will depend on the amounts of creditors' claims that is finally agreed and the future debtor realisations.

### **INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

We undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. We are required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed below has been undertaken in connection with that initial investigation. Specifically, we recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the Company up to its ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that obtained from the company.

We have not identified any matters that justified further investigation in the circumstances of this appointment.

Within 3 months of my appointment as Administrator, we were required to submit a confidential report to the Secretary of State to include any matters which have come to our attention during the course of our work which may indicate that the conduct of any past or present director would make him unfit to be concerned with the management of the Company. I would confirm that our report has been submitted.

### **PRE-ADMINISTRATION COSTS**

On 24 September 2019 the following pre-administration costs were approved by the creditors:

Pre-administration fees charged by Edge Recovery Limited: £16,182.

Pre-administration expenses incurred: £29,638.

The pre-administration fees of £16,182 plus VAT have been paid. The pre-administration expenses have been paid in full, as detailed in the attached receipts and payments account.

### **ADMINISTRATORS' REMUNERATION**

Our remuneration was previously authorised by the creditors on 24 September 2019. I was authorised to draw a fixed fee of £30,000 for my work in respect of Administration, investigations up to submission of the D report, creditors and distribution to preferential creditors.

I have drawn £30,000 plus VAT in respect of work done for which my fees were approved as a fixed fee.

I was also authorised to draw 5% of realisations for my work in respect of the realisation of debtor realisations. I have drawn £20,726.95 plus VAT for work approved as a percentage of realisations. A

further £1,991.88 plus VAT is due in respect of work approved as a percentage of realisations and will be paid in the Liquidation.

#### **LIQUIDATORS' REMUNERATION**

As approved in the Administrators' proposals, the Liquidators' are entitled to draw a fixed fee of £10,000 plus VAT, 5% of realisations and the following percentage of distributions:

- 25% of the first £20,000
- 10% of the next £80,000
- 6% over £100,000

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/wp-content/uploads/2016/02/Charging-policy-from-1-January-2015.pdf>. A hard copy of both the Creditors' Guide and the firm's charge-out rate and disbursement policy may be obtained on request.

#### **ADMINISTRATORS' EXPENSES**

We have incurred expenses of £6.60 for postage in the period since the last report. Total expenses incurred since our appointment as Administrators total £609.60. We have drawn a total of £603.00 plus VAT.

We have used the following agents or professional advisors in the reporting period:

<b>Professional Advisor</b>	<b>Nature of Work</b>	<b>Basis of Fees</b>
Gowling WLG (UK) LLP	Solicitors	Time costs
Judge & Priestly	Solicitors	Percentage of realisations
Dataforce UK Limited	IT consultants	Fixed fee

The choice of professionals used was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them. We have reviewed the fees charged and are satisfied that they are reasonable in the circumstances of this case.

In the reporting period we have sought advice from Gowling WLG (UK) LLP in respect of TUPE in order to clarify with whom the liability for employee claims fall. Gowling WLG (UK) LLP has been paid £6,041 plus VAT in the reporting period. Total fees paid to date are £26,091 plus VAT. Their outstanding costs total £632.00.

Judge & Priestly are being paid a fee on a percentage of realisations basis. Fees incurred and drawn to date total £807.15 plus VAT.

Dataforce UK Limited attended the Company's premises in order to take a back-up of the Company's computer records. A fixed fee of £3,250 plus VAT has been paid.

We do not anticipate that the expenses we will incur in this matter will exceed the total expenses we estimated we would incur when our remuneration was authorised by the creditors.

#### **FURTHER INFORMATION**

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Edge Recovery Limited can be found at <http://www.edgerecovery.com/wp-content/uploads/2018/10/Provision-of-Services-Regulations-summary-sheet.pdf>.

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/wp-content/uploads/2016/02/External-Privacy-Statement.pdf> explains how we process personal data. A copy of this document can be sent to you upon request.

#### **SUMMARY**

The Administration as approved in the proposals is now complete and our files will be closed. If creditors have any queries regarding the conduct of the Administration, or this report, or if they want hard copies of any of the documents made available on-line, they should contact Jeannine Cirullo on 020 8315 7430, or by email at [jeannine.cirullo@edgerecovery.com](mailto:jeannine.cirullo@edgerecovery.com).



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

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

**From 12 February 2020 To 09 July 2020**

<b>S of A £</b>		<b>As Previously Reported</b>	<b>12/02/20 to 09/07/20</b>	<b>Total £</b>
<b>RECEIPTS</b>				
545,714	Book Debts	414,538.91	39,833.74	454,372.65
NIL	Cash at Bank	12,299.17	NIL	12,299.17
NIL	Bank Interest Gross	19.23	NIL	19.23
NIL	Rates Refund	1,302.10	NIL	1,302.10
NIL	Sundry	711.02	NIL	711.02
NIL	Sundry Refund	1,159.49	NIL	1,159.49
15,000	Plant & Machinery	15,000.00	NIL	15,000.00
43,994	Stock	43,994.00	NIL	43,994.00
1	Customer Contracts	1.00	NIL	1.00
1	Book and Records	1.00	NIL	1.00
1	Intellectual Property	1.00	NIL	1.00
1	Information Technology	1.00	NIL	1.00
1	Website	1.00	NIL	1.00
1	Work In Progress	1.00	NIL	1.00
1,000	Goodwill	1,000.00	NIL	1,000.00
<b>605,714</b>		<b>490,029.92</b>	<b>39,833.74</b>	<b>529,863.66</b>
<b>PAYMENTS</b>				
	Secured Creditors	(22,180.30)	NIL	(22,180.30)
	Office Holders Fees	NIL	(66,908.95)	(66,908.95)
	Office Holders Expenses	NIL	(603.00)	(603.00)
	Agents/Valuers Fees (1)	(9,944.98)	NIL	(9,944.98)
	Legal Fees	(20,050.00)	(6,848.15)	(26,898.15)
	Bank Charges	(2,186.67)	NIL	(2,186.67)
	Professional Fees	NIL	(7,750.00)	(7,750.00)
	Vat Receivable	(5,989.00)	(16,422.02)	(22,411.02)
	Preferential Creditors	NIL	(54,913.51)	(54,913.51)
	Income Tax	NIL	(1,853.34)	(1,853.34)
	National Insurance	NIL	(1,112.02)	(1,112.02)
		<b>(60,350.95)</b>	<b>(156,410.99)</b>	<b>(216,761.94)</b>
<b>CASH IN HAND</b>		<b>429,678.97</b>	<b>(116,577.25)</b>	<b>313,101.72</b>

## Appendix 2

### 1. Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder (and their 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.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Dealing with all routine correspondence and emails relating to the case.
- Maintaining and managing the office holder's estate bank account.
- Maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing, reviewing and issuing a final progress report to Companies House

### 2. 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). The office holder is required to undertake this work as part of their statutory functions.

**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 also needs 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.

**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.

- Obtaining information from the case records about employee claims.
- Completing documentation for submission to the Redundancy Payments Office.
- Corresponding with employees regarding their claims.
- Liaising with the Redundancy Payments Office regarding employee claims.
- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Issuing a notice of intended dividend.
- Calculating and paying a dividend to preferential creditors.
- Calculating tax deducted from the dividends paid to employees.
- Liaising with Powerhouse Systems Limited regarding the amount indemnified under the sale agreement.

#### *Realisation of assets:*

- Corresponding with debtors and attempting to collect outstanding book debts.
- Instructing solicitors to assist in the realisation of book debts.