

AM03

Notice of administrator's proposals



Companies House

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1 Company details

Company number 0 7 6 4 2 7 4 1

Company name in full Norvap Engineering Ltd

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

2 Administrator's name

Full forename(s) Lisa Marie

Surname Moxon

3 Administrator's address

Building name/number 7400 Daresbury Park

Street Daresbury

Post town Cheshire

County/Region

Postcode W A 4 4 B S

Country

4 Administrator's name

Full forename(s) Christopher Benjamin

Surname Barrett

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address

Building name/number 7400 Daresbury Park

Street Daresbury

Post town Cheshire

County/Region

Postcode W A 4 4 B S

Country

② 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

X



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Signature date

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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.

Contact name	Lisa Marie Moxon
Company name	Dow Schofield Watts Business Recovery LLP
Address	7400 Daresbury Park
	Daresbury
Post town	Cheshire
County/Region	
Postcode	W A 4 4 B S
Country	
DX	
Telephone	0844 7762740



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.



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You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

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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

Norvap Engineering Ltd (“the Company”)

– In Administration

Company number: 07642741

Joint Administrators’ Proposals

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

Date of delivery to creditors: 13 December 2018

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Lisa Marie Moxon and Christopher Benjamin Barrett of Dow Schofield Watts Business Recovery LLP are the Joint Administrators of the Company and these are the Joint Administrators' statutory proposals relating to the Company.

We consider that the EC Regulation on Insolvency Proceedings applies and that these are "main" proceedings as defined in Article 3 of the EC Regulation as the centre of main interests of the Company is in the United Kingdom.

1. Background and Events Leading to Appointment

The Company was incorporated on 23 May 2011 with Philip Gostling appointed as sole director and shareholder of the Company. On 28 May 2012 Joanne Gostling was appointed as a director of the Company and remained as such until 23 November 2015 when she resigned.

The Company remained dormant until 31 May 2011 after which it commenced trading manufacturing parts to be included within veterinary and medical vaporisers for anaesthesia equipment. The primary customer of the Company was Norvap Ltd. ("Norvap") who incorporated the parts in to vaporiser machines and sold the products to third party customers. Norvap is a connected company by virtue of the common directorship and shareholding of Philip Gostling. Trading was initially carried out from rented premises at Unit 11a Sandylands Business Centre, Carleton New Road, Skipton, BD23 2AA.

The initial working capital requirements for the Company were funded by various connected companies through loan accounts. To assist with ongoing cash flow requirements, the Company also obtained a loan in the sum of £100,000 from Assetz Capital Trust Company Limited ("Assetz"). Fixed and floating charges were granted to Assetz on 13 November 2013 as security for the loan. Assetz remains a creditor for £4,594.

In 2014, the Company acted as a guarantor for a loan from The North West Fund for Business Loans LP ("NWF") to a connected company, Northwest Anaesthesia Ltd ("Northwest"). Fixed and floating charges were granted to NWF on 10 June 2014 as security for the loan. Northwest is connected by virtue of the common directorship and shareholding of Philip Gostling. Northwest was placed into liquidation on 19 November 2018 which crystallised the guarantee. NWF remains a creditor for £50,222.

The turnover continued to grow steadily in the initial years of trading in line with the expansion of Norvap. The unaudited financial statements for the year ended 31 March 2015 report that the Company's turnover was £940,643 and an operating profit for the year of £97,238 was achieved. Due to previous trading losses and investment in research and development the Company received tax credits from HM Revenue and Customs of £246,646 resulting in a net profit of £343,884.

The unaudited financial statements prepared for the year ended 31 March 2016 show that the Company's turnover had decreased to £761,300 with an operating loss of £147,625.

The Company provided financial support to various connected companies. In addition, other connected companies also provided financial support to the Company.

In March 2017 the Company relocated to larger leased premises located at Unit 1, Union Business Centre Snaygill Industrial Estate, Keighley Road, Skipton, BD23 2QR. The premises were subsequently purchased by Norvap.

With the increased capacity at the premises, the business was able to meet additional demand for its products.

To assist with the purchase of new plant & equipment and the working capital requirements of the increase levels of trading, the Company entered into various hire purchase and finance agreements during 2017.

The Company also acted as a guarantor for a loan of £350,000 to Norvap from The Security Trustee Services Limited ("Rate Setter"). Fixed and floating charges were granted to Rate Setter on 25 September 2017 as security for the loan. Norvap was placed into administration on 16 October 2018 crystallising the liability. Rate Setter remains a creditor for £257,812.

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

	Financial Statements 01.09.2016 to 31.10.16 £	Financial Statements 01.07.2016 to 31.08.2016 £	Financial Statements 01.04.2016 to 30.06.2016 £	Financial Statements Year Ended 31.03.2016 £
Profit and Loss Account				
Turnover	247,344	136,633	239,453	761,300
Cost of Sales	(172,220)	(100,218)	(174,610)	(498,772)
Gross Profit	75,124	36,415	64,843	262,528
Administrative Expenses	(97,749)	(76,633)	(121,198)	(410,153)
Operating Profit/(Loss)	(22,625)	(40,218)	(56,355)	(147,625)
Interest	(29,305)	(3,765)	(5,593)	(15,571)
Taxation	95,076	91,497	104,152	404,326
Profit For The Financial Year	43,146	47,514	42,204	241,130
Profit and loss account b/f	617,473	569,959	527,755	286,625
Dividends	0	0	0	0
Profit and loss account c/f	<u>660,619</u>	<u>617,473</u>	<u>569,959</u>	<u>527,755</u>

	Financial Statements 01.09.2016 to 31.10.16	Financial Statements 01.07.2016 to 31.08.2016	Financial Statements 01.04.2016 to 30.06.2016	Financial Statements Year Ended 31.03.2016
Balance Sheet	£	£	£	£
Fixed Assets				
<i>Intangible Assets</i>	208,000	208,000	208,000	208,000
<i>Tangible Assets</i>	1,778,742	1,570,762	1,589,185	1,640,916
<i>Investments</i>	281,000	281,000	281,000	281,000
	<u>2,267,742</u>	<u>2,059,762</u>	<u>2,078,185</u>	<u>2,129,916</u>
Current Assets				
Stock	825,000	845,000	825,000	819,740
Debtors	617,760	458,396	418,439	276,910
Cash at Bank and in hand	9,949	2,481	26,275	759
	<u>1,452,709</u>	<u>1,305,877</u>	<u>1,269,714</u>	<u>1,097,409</u>
Creditors (Due within 1 year)	<u>(403,017)</u>	<u>(339,112)</u>	<u>(429,414)</u>	<u>(885,843)</u>
Net Current Assets	1,049,692	966,765	840,300	211,566
Creditors (Due after 1 year)	<u>(2,325,809)</u>	<u>(2,078,048)</u>	<u>(2,017,520)</u>	<u>(1,482,721)</u>
Net Assets	<u>991,625</u>	<u>948,479</u>	<u>900,965</u>	<u>858,761</u>
Capital & Reserves				
Called-up equity share capital	102	102	102	102
Share premium account	330,904	330,904	330,904	330,904
Profit and Loss Account	660,619	617,473	569,959	527,755
Shareholders' Funds	<u>991,625</u>	<u>948,479</u>	<u>900,965</u>	<u>858,761</u>

In June 2018 HM Revenue and Customs ("HMRC") began an investigation into the Company's tax affairs and those of connected companies and consequently withheld any further tax refunds.

The Company began to encounter cash flow difficulties due to the ongoing funding provided to connected entities and the high cost of the various hire purchase agreements.

As a result of the cash flow difficulties the director sought additional external investment in the Company during summer 2018. In addition, during August and September 2018 the director effected employee redundancies in an attempt to reduce overheads.

As a result of the Company's deteriorating cash position and the inability to secure further external investment and the difficulties within Norvap, the director approached Dow Schofield Watts Business Recovery LLP in September 2018 for independent insolvency advice.

It was agreed that the best option would be to market the business for sale with a view to a disposal through a formal insolvency procedure and Dow Schofield Watts Business Recovery LLP were engaged by the Company on 27 September 2018 to assist with the pre-administration marketing.

A Notice of Intention to appoint Administrators was filed in Court on 27 September 2018.

A sales flyer setting out brief details of the business was circulated to potential interested parties on 4 October 2018. The sales flyer was circulated to Dow Schofield Watts Business Recovery LLP's internal and external database of contacts which includes professional contacts such as accountants and corporate financiers as well as local and regional investors. The sales flyer was also advertised on the websites of third party agents, Sanderson Weatherall LLP and JPS Chartered Surveyors.

A deadline for offers was set for 5pm on 12 October 2018. It was considered necessary to carry out the marketing over a short period of time as the Company had limited working capital and any significant further period of trading was likely to be to the detriment of creditors.

As a result of the marketing, expressions of interest were received from eight parties, of which seven signed non-disclosure agreements and were supplied with further information. Discussions took place with interested parties throughout the week commencing 8 October 2018. During that week two interested parties conducted site visits to the Company's trading premises.

Due to the potential interest in the business, a second Notice of Intention to appoint Administrators was filed in Court on 11 October 2018.

An offer was received on 12 October 2018 for the business and certain assets of the Company from a connected company, Norvap International Limited ("International") which was connected by virtue of the common directorship and shareholding of Philip Gostling.

The offer from the connected entity was considered and rejected, upon agents' advice, due to its low value.

On 16 October 2018 Lisa Marie Moxon and Christopher Benjamin Barrett were appointed Joint Administrators of the Company by the board of directors.

Statutory information concerning the Company, its directors and shareholders and the Administration is set out at **Appendix A**.

2. Objective of the Administration of the Company and the Joint Administrators' Strategy

The purpose of an administration is to achieve one of the three hierarchical objectives set out in the insolvency legislation, which are 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.

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the financial circumstances of the Company meant that a Company Voluntary Arrangement was not appropriate.

The Joint Administrators' initial strategy was to try and achieve objective (b) through a sale of the business and certain of the assets of the Company following a short period of pre-appointment marketing. This would have increased the value of the assets to be realised, allowed the employees of the Company to a purchaser thereby limiting employee claims and achieved a better result for the Company's creditors as a whole. Due to the lack of interest in the business this objective could not be achieved

As a result, we are seeking to achieve objective (c) and agents have been instructed to sell the Company's freehold property and tangible assets to allow a distribution to be made to secured and preferential creditors.

3. Financial Position of the Company and Action Taken Since Appointment

The Joint Administrators decided that it was not appropriate to continue the business of the Company following their appointment as there were no funds available to fund ongoing trade and minimal stock. It was considered that any trading would have been loss making and there was no realistic prospect of a sale of the business as a going concern.

As a consequence, the Company's staff members were made redundant on 16 October 2018 and immediate steps were taken to secure and realise the Company's assets.

Financial Position of the Company

We have asked the director to prepare a summary of the Company's estimated financial position as at 16 October 2018, which is known as a Statement of Affairs. The director is in the process of completing this document.

We have prepared an estimate of the financial position of the Company as at 16 October 2018 from the records of the Company, and that is attached at **Appendix B**, together with a list of names and addresses of all known creditors, and the amounts of their debts. The Joint Administrators' estimate of the financial position of the Company does not take into account the costs of the Administration.

Receipts and Payments Account

Attached at **Appendix C** is a summary of our receipts and payments relating to the Company for the period from when it entered administration on 16 October 2018 to the date of these proposals. The administration estate funds are held in an interest bearing account in the name of the Company and controlled by the Joint Administrators.

Our comments on the estimate of financial position and the summary receipts and payments account are detailed below.

3.1 Encumbered Plant & Machinery - Close Brothers Business Finance Ltd

The Company had plant and machinery subject to Hire Purchase agreements with Close Brothers Business Finance Ltd ("Close"). The plant and machinery has a book value of £100,352 with an estimated to realise value of £10,000 as per the valuation provided by JPS Chartered Surveyors ("JPS").

The liability owing to Close at the date of appointment was £44,833, therefore there is no equity in the hire purchase agreements.

3.2 Encumbered Plant & Machinery - Aldermore Bank Plc

The Company had plant and machinery subject to Hire Purchase agreements with Aldermore Bank Plc ("Aldermore"). The plant and machinery has a book value of £391,530 with an estimated to realise value of £39,000 as per the valuation provided by JPS.

The liability owing to Aldermore at the date of appointment was £75,280, therefore there is no equity in the hire purchase agreements.

3.3 Encumbered Plant & Machinery - Societe Generale Equipment Finance Ltd

The Company had plant and machinery subject to Hire Purchase agreements with Societe Generale Equipment Finance Ltd ("Societe"). The plant and machinery has a book value of £255,976 with an estimated to realise value of £25,500 as per the valuation provided by JPS.

The liability owing to Societe at the date of appointment was £27,803, therefore there is no equity in the hire purchase agreements.

As there is no equity in the above Hire Purchase agreements, the Joint Administrators have no financial interest in the agreements. It is understood that the director has provided personal guarantees to all of the hire purchase companies. He has advised our agents that he is in discussions with the hire purchase companies regarding the potential novation of the agreements to Norvap International Limited.

3.4 Encumbered Plant & Machinery - Hitachi Capital (UK) Plc

The Company had plant and machinery subject to Hire Purchase agreements with Hitachi Capital (UK) Plc ("Hitachi"). The plant and machinery has a book value of £36,142 with an estimated to realise value of £3,600 as per the valuation provided by JPS.

The liability owing to Hitachi at the date of appointment was £1,611, therefore there was potential equity of £1,989.29. On 29 October 2018, International purchased the equity for £5,250 plus VAT.

3.5 Plant and Machinery

The Company's records included unencumbered plant and machinery with a book value of £91,445 and an estimated to realise value of £6,550 as per the valuation by JPS. Following our appointment we instructed JPS to assist with the sale of the Company's asset.

On 29 October 2018 the Company's plant and machinery, office equipment, stock and equity in the Hitachi assets was sold to International for the sum of £25,000 plus VAT. The sale was broken down as follows:

	£
Plant and Machinery	6,550.00
Office Equipment	1,350.00
Stock	11,850.00
Equity in Hitachi Assets	5,250.00
	<u>25,000.00</u>

The sale was concluded following advice from independent agents, JPS as the consideration offered was higher than the ex-situ valuation of JPS. Additional costs of removal, sale and insurance have been avoided by completing the sale.

Payment was received in full by JPS on 29 October 2018. It is not known whether the purchaser took independent advice regarding the transaction. It was not possible for the Administrators to consult a creditors committee before concluding the sale as no committee has been formed. The funds are held by JPS and therefore do not appear on the Receipts and Payments Account.

3.6 Office Equipment

The Company's records include office equipment with a book value of £18,850 and an estimated to realise value of £1,350 as per the valuation of JPS.

Following our appointment we instructed JPS to assist with the sale of the Company's assets and on 29 October 2018, as detailed above, the Company's office equipment was sold to International for the sum of £1,350 plus VAT.

3.7 Stock

At the date of appointment, the Company had stock with a book value of £237,532. The estimated to realise value of the stock is £11,850.

As detailed above, on 29 October 2018 the Company's stock was sold to International for the sum of £11,850 plus VAT.

3.8 Director's loan account

At the date of administration, the Company was owed the sum of £29,005 by its director, Philip Gostling, in respect of an overdrawn director's loan account. The estimated to realise value is uncertain because the personal financial position of the director is not yet known. The Joint Administrators are currently reconciling the loan account.

Further information will be provided in the next report to creditors.

3.9 Intercompany loan – Gostling Limited ("Gostling")

At the date of administration, the Company was owed the sum of £75,000 by Gostling in respect of an intercompany loan. The Company also owed the sum of £39,624 to Gostling as at the date of the administration and therefore, after applying set off, the sum of £35,376 is due to the Company. Gostling is a connected company by virtue of the common directorship and shareholding of Philip Gostling.

The estimated to realise value is uncertain because we are not aware of the Company's financial position and its ability to repay the debt. A demand letter has been issued requesting repayment in full.

3.10 Intercompany loan – Arc Multi-Metal Services Ltd ("Arc") – in Liquidation

At the date of administration, the Company was owed the sum of £94,428 by Arc in respect of an intercompany loan. The Company also owed the sum of £78,909 to Arc as at the date of the administration and therefore, after applying set off, the sum of £15,519 is due to the Company. Arc is a connected company by virtue of the common directorship and shareholding of Philip Gostling.

Prior to it ceasing to trade, Lisa Marie Moxon and Christopher Benjamin Barrett were instructed to assist the director to seek a purchaser for the business and assets of Arc through a formal insolvency process however due to the lack of interested parties it was not deemed appropriate for the Company to be placed into administration. The director subsequently instructed Lisa Marie Moxon and Christopher Benjamin Barrett to assist with placing the Company into Creditors' Voluntary Liquidation. Creditors requested a formal meeting of creditors to be held to discuss the affairs of Arc. At the meeting held on 15 November 2018 the creditors resolved to appoint Henry Anthony Shinnars and Andrew Stephen McGill of Smith & Williamson LLP as Joint Liquidators.

Due to the liquidation of Arc, the estimated to realise value is uncertain. Any realisations will be dependent upon any dividend distribution made to the unsecured creditors in the liquidation of Arc.

3.11 Sundry refunds

Since our appointment we have collected refunds of £31 in respect of an insurance refund.

3.12 Bank interest

No bank interest has been received during the period.

3.13 Secured Creditors

Assetz Capital Trust Company Limited ("Assetz") holds fixed and floating charges cover the assets of the Company and was owed £4,594 at the date of administration. Assetz were provided with a cross guarantee from Gostling as additional security for the lending and have confirmed that Gostling have made some repayments under the terms of their guarantee. It is likely that a distribution will be made to them under the terms of their floating charge in respect of any balance owing.

The North West Fund for Business Loans LP ("NWF") holds fixed and floating charges over the assets of the Company and was owed £50,222 at the date of administration in respect of a cross company guarantee given by the Company for monies advanced to Northwest. Northwest went into liquidation on 19 November 2018 thereby crystallising the guarantee. At this stage, it is unlikely that there will be a distribution to NWF under the terms of their charge.

The Security Trustee Services Limited ("Rate Setter") holds fixed and floating charges over the assets of the Company and was owed £257,812 at the date of administration in respect of a cross company guarantee given by the Company for monies advanced to Norvap. Norvap went into Administration on 16 October 2018 thereby crystallising the guarantee. At this stage, it is unlikely that there will be a distribution to Rate Setter under the terms of their charge.

We are in the process of receiving advice from Taylors Solicitors LLP to confirm the validity of the charges.

3.14 Preferential Creditors

The Company's former employees have preferential claims in respect of wage arrears and unpaid holiday pay at the date of administration. The Redundancy Payments Service will have a preferential claim to the extent that it has paid the employees' preferential claims.

The preferential claims have been estimated at £19,626. Dividend prospects for preferential creditors are uncertain and are dependent on future realisations.

3.15 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.

The Joint Administrators' estimate of financial position at **Appendix C** shows estimated net property of £5,374 and a prescribed part of £2,687. It should be noted that these estimates do not take account of the costs of the administration. At present the Joint Administrators do not propose to make an application to Court for the prescribed part to be disapplied.

3.16 Unsecured Creditors

The Company's unsecured creditors are estimated to total £2,952,939. It is currently expected that there will be insufficient realisations to allow a distribution to the unsecured creditors other than by virtue of the prescribed part.

3.17 Professional Advisors

The following professional advisors have been instructed to assist in this matter:

Professional Advisor	Nature of Work	Fee Arrangement
JPS Chartered Surveyors	Valuation of equipment and stock, advice on sale strategy, advice on offers received.	Time Costs / Commission
Taylors Solicitors LLP	Assistance with appointment formalities and advice on validity of security.	Time Costs

The choice of professionals and the Joint Administrators' fee arrangement with them was based on our perception of their experience and ability to perform this type of work, and the complexity and nature of the assignment.

4. Proposed Future Actions of the Joint Administrators

In order to achieve the objective of the administration we propose to review and conclude the collection of the intercompany balances owed. We will pursue the director for amounts due under his Director's Loan Account. We will also complete our investigations into the Company's affairs in the period prior to the administration and will seek to realise any further assets that may be identified, or pursue any claims if appropriate.

Once asset realisations are concluded we will distribute funds in accordance with creditors' security rights and the statutory priority of payments. Where applicable, we will discharge the liabilities due to the secured creditors from the asset sale proceeds, and if asset realisations allow, make distribution to preferential creditors.

We will ensure that any retention of title claims are finalised and will continue to assist creditors with credit insurance claims, respond to any creditor queries and maintain records of creditor claims received.

The Company's financial position means that there are insufficient assets to allow a dividend to be paid to unsecured creditors.

5. Joint Administrators' Investigations

We 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. We are 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.

These investigations are in their early stages and we should be pleased to receive from you any information you have that you consider will assist us in this duty. We would stress that this request for information forms part of our normal investigation procedure.

6. Joint Administrators' Proposals

In order to achieve the objective set out at Section 2 above, the Joint Administrators, Lisa Marie Moxon and Christopher Benjamin Barrett, formally propose to creditors that:

- a) they continue to manage the business, affairs and property of the Company in order to achieve the purpose of the administration. In particular that they:-
 - (i) propose to conclude the collection of the intercompany balances owed and pursue the director for amounts due under his Director's Loan Account;
 - (ii) deal with any creditor queries, monitor creditor claims received and update their records accordingly;
 - (iii) sell the Company's assets at such time(s) and on such terms as they consider appropriate;
 - (iv) 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
 - (v) do all such things and generally exercise all available powers as Joint Administrators that they consider desirable or expedient in order to achieve the purpose of the administration or protect and preserve the assets of the Company or maximise the realisations of those assets or for any purpose incidental to these proposals.
- b) The Administration shall end when one of the following takes place:-
 - (i) If the Joint Administrators think that there are no funds available for distribution to the unsecured creditors, except by virtue of the prescribed part, the Company may exit administration by way of dissolution.
 - (ii) On the making of a court order (or at such other time as the court may direct) following an application to court for an order that the administration shall cease.
 - (iii) If the Joint Administrators give notice to the court, creditors and Registrar of Companies that the objective of the administration has been sufficiently achieved.
 - (iv) On the making of a Winding up Order against the Company by the court (or thereafter as the court otherwise directs) with Lisa Marie Moxon and Christopher Benjamin Barrett are permitted to seek appointment as Joint Liquidators of the Company.

7. Pre-Administration Costs

Before a company enters into any form of insolvency proceedings, professional costs are necessarily incurred in order to ensure that:

- > The most suitable form of proceedings is chosen, in the interests of creditors.
- > The mechanics of initiating the proceedings and appointing an insolvency practitioner are dealt with appropriately.

The basis on which these costs are to be paid varies according to the insolvency procedure adopted. In the case of a company entering into administration, the administrator must make a 'Statement of Pre-Administration Costs', the content of which is prescribed by the Insolvency Rules, and seek approval for their payment from the creditors of the company.

Our Statement of Pre-Administration Costs is set out at **Appendix D**.

The work carried out prior to my appointment included marketing of the business for sale and obtaining information concerning the Company's assets, employees and liabilities for the purpose of the administration to assist in the management and overseeing of the asset realisation process.

We will be requesting approval for payment of pre-administration costs from the secured and preferential creditors. This request does not comprise part of our formal proposals for the conduct of the administration.

8. Joint Administrators' Remuneration and Expenses

We will propose that our fees will be charged by reference to the time properly spent by the Joint Administrators and their staff in dealing with the matters relating to the administration of the Company. This time will be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken. Information about current charge out rates is set out in **Appendix E**.

We will also propose that we are permitted to charge what are known as category 2 expenses. Information about category 2 expenses is also set out in **Appendix E**.

As there will be insufficient funds to allow a dividend to unsecured creditors, other than by virtue of the prescribed part, it will be for the secured and preferential creditors to approve our remuneration and category 2 disbursements.

Prior to seeking fee approval of a time costs basis, the Joint Administrators are required to provide the creditors with their Fees Estimate and details of the expenses likely to be incurred ("Expenses Estimate"). This will be circulated to creditors in due course. Once approved, the remuneration charged by the Joint Administrators must not exceed the total stated in the Fees Estimate without prior written approval. Our progress reports will also provide information regarding whether the Expenses Estimate has been or is likely to be exceeded and, if so, the reasons.

Joint Administrators' Time Costs and Expenses to date

In the period from appointment to the date of this report, our time costs amount to £14,663.50 representing 91.2 hours' work at an average charge out rate of £160.78. **Appendix E** contains information about remuneration and expenses, including the total time spent on the affairs of the Company to date (i.e. from when it entered administration on 16 October 2018 to the date of these proposals) and the cost of that time based on the charge out rates of the staff undertaking the work.

Secured and preferential creditors will also be asked to consider whether to approve payment of the Joint Administrators' pre-administration costs out of the assets of the Company as an expense of the administration. Further information relating to administrators' remuneration can be found in 'A Creditor's Guide to Administrators' Fees' which can be accessed at the website of the Insolvency Practitioners' Association (www.insolvency-practitioners.org.uk > Regulation and Guidance" > Creditors Guides to Fees), or the Institute of Chartered Accountants in England & Wales (www.icaew.com > Technical Resources > Insolvency > Creditors' Guides). The Guide also gives important information concerning creditors' rights. Alternatively a copy is available free of charge upon request to Dow Schofield Watts Business Recovery LLP.

9. Discharge from Liability

As there will be no return to unsecured creditors other by virtue of the Prescribed Part, we will in accordance with legislation, be seeking a resolution from the secured and preferential creditors for discharge from liability in respect of any action of the Joint Administrators to take effect 14 days following cessation to act as Joint Administrators.

10. Approval of Proposals

It is currently anticipated that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part.

Therefore, pursuant to Paragraph 52(1)(b) of Schedule B1 of the Act, the Joint Administrators are not required to seek creditors' approval of the proposal (as set out at section 6).

Notwithstanding this, the Joint Administrators shall be required to seek a creditors' decision as to whether to approve the Proposals, if it is requested by creditors whose debts amount to at least 10% of the Company's total debt. Such request must be delivered to the Joint Administrators within 8 business days from the date on which the Proposals were delivered. Security must be given for the expenses of seeking such a decision.

If no decision is requested, the Proposals will be deemed to be approved pursuant to Rule 3.38(4) of the Rules.

Should you require any further information relating to these proposals or the administration of the Company please do not hesitate to contact Amy Lowden on the telephone number shown in the covering letter enclosing these proposals or by email to amy@dswrecovery.com.



Lisa Marie Moxon
Joint Administrator

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association
The affairs, business and property of the Company are being managed by the Administrator who acts as agent of the Company and without personal liability

Appendix A: Statutory Information

Company Information

Company Name:	Norvap Engineering Ltd
Trading Name:	N/a
Previous Name:	Acies Engineering Ltd
Company Number:	07642741
Date of Incorporation:	23 May 2011
Former Trading Address:	Units 1 & 2, Union Business Park, Snaygill Industrial Estate, Keighley Road, Skipton, BD23 2QR
Current Registered Office:	c/o Dow Schofield Watts Business Recovery LLP, 7400 Daresbury Park, Daresbury, Warrington, WA4 4BS
Former Registered Office:	c/o Oakfield Park Professionals Ltd, Unit 1, Union Business Park, Snaygill Industrial Estate, Keighley Road, Skipton, BD23 2QR
Principal Trading Activity:	Manufacturing of parts for anaesthetic vaporiser

Appointment details

Date of appointment:	16 October 2018
Appointment made by:	Philip Gostling Hillcrest, 7 Highgate, Cross Hills, Keighley, West Yorkshire, BD20 8BE
Court Name and Reference:	Business & Property Court Manchester 2977 / 2018
Joint Administrators' names and address:	Lisa Marie Moxon (IP number 16370) and Christopher Benjamin Barrett (IP number 9437) Dow Schofield Watts Business Recovery LLP, 7400 Daresbury Park, Daresbury, Warrington WA4 4BS.

Pursuant to Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986, any function required or authorised to be done by the Joint Administrators may be done jointly by both of them or by any one of them.

Officers of the Company

Directors:

Philip Gostling

Company Secretary:

N/a

Share Capital

Allotted: ordinary shares of £1 each

Shareholders:

Philip Gostling	100 ordinary shares
Philip Gostling	1 Class A Ordinary shares
Philip Gostling	1 Class B ordinary shares

Charges

Assetz Capital Trust Company Limited:	Fixed and floating charges created 13 November 2013
The North West Fund for Business Loans LP:	Fixed and floating charges created 10 June 2014
Security Trustee Services Limited:	Fixed and floating charges created 25 September 2017

Norvap Engineering Ltd
Statement Of Affairs as at 16 October 2018

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £	
Assets subject to fixed charge:			
Assetz Capital Trust Company Limited		(4,593.72)	
Deficiency c/d		(4,593.72)	
The North West Fund for Business Loan		(50,221.50)	
Deficiency c/d		(50,221.50)	
Security Trustee Services Limited		(257,812.00)	
Deficiency c/d		(257,812.00)	
Encumbered Plant & Machinery	100,352.00	10,000.00	
Close Brothers Business Finance		(44,833.00)	
Deficiency c/d		(34,833.00)	
Encumbered Plant & Machinery	391,530.00	39,000.00	
Aldermore Bank Plc		(75,280.00)	
Deficiency c/d		(36,280.00)	
Encumbered Plant & Machinery	255,976.00	25,500.00	
Societe Generale Equipment Finance Ltd		(27,803.00)	
Deficiency c/d		(2,303.00)	
Encumbered Plant & Machinery	36,142.00	1,610.71	
Hitachi Capital (UK) Plc		(1,610.71)	
		NIL	NIL
Assets subject to floating charge:			
Plant and Machinery	91,445.00		6,550.00
Office Equipment	18,850.00		1,350.00
Stock	237,532.00		11,850.00
Equity in Hitachi Capital Agreement	1,989.29		5,250.00
Director's Loan Account Philip Gostling	29,005.00		Uncertain
Intercompany - Gostling Limited	35,376.00		Uncertain
Intercompany - Arc Multi Metal	15,519.00		Uncertain
Uncharged assets:			
Estimated total assets available for preferential creditors			25,000.00

Signature _____ Date _____

Norvap Engineering Ltd
Statement Of Affairs as at 16 October 2018

A1 - Summary of Liabilities

	Estimated to Realise £
Estimated total assets available for preferential creditors (Carried from Page A)	25,000.00
Liabilities	
Preferential Creditors:-	
Employee Arrears/Hol Pay	19,626.18
	19,626.18
Estimated deficiency/surplus as regards preferential creditors	5,373.82
Debts secured by floating charges pre 15 September 2003	
Other Pre 15 September 2003 Floating Charge Creditors	NIL
	5,373.82
Estimated prescribed part of net property where applicable (to carry forward)	2,686.91
Estimated total assets available for floating charge holders	2,686.91
Debts secured by floating charges post 14 September 2003	
Deficiency b/d	312,627.22
	312,627.22
Estimated deficiency/surplus of assets after floating charges	(309,940.31)
Estimated prescribed part of net property where applicable (brought down)	2,686.91
Total assets available to unsecured creditors	2,686.91
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	
Deficiency b/d	73,416.00
Trade & Expense Creditors	2,032,799.55
Employees - Redundancy / PILON	76,691.78
Intercompany - Norvap Ltd	570,575.12
Intercompany - Norvap Service Limited	21,496.00
Intercompany - Northwest Anaesthesia Ltd	79,426.00
H.M Revenue & Customs	30,444.40
Intercompany - Express Dispense Limited	10,500.00
Intercompany - Diamondzye Ltd	57,589.96
	2,952,938.81
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)	(2,950,251.90)
Shortfall in respect of F.C's post 14 September 2003 (brought down)	309,940.31
Estimated deficiency/surplus as regards creditors	(3,260,192.21)
Issued and called up capital	
Ordinary Shareholders	102.00
	102.00
Estimated total deficiency/surplus as regards members	(3,260,294.21)

Signature _____ Date _____

Dow Schofield Watts Business Recovery LLP

Norvap Engineering Ltd

B - Company Creditors

Key	Name	Address	£
C100	1pm UK Ltd	2nd Floor St James House, The Square, Lower Bristol Road, Bath, BA2 3BH	4,189.90
CA00	Ababil Healthcare Pvt Ltd	1533 J Block 14th Street, Anna Nagar West, Chennai, India, 600040	263.77
CA01	Absolute Hardware	1 Church Street, Stourbridge, DY8 1LT	196.82
CA02	Actionplas	23 Richardshaw Road, Grangefield Ind Estate, Pudsey, Leeds, LS28 6QW	27,876.00
CA03	ADT Fire & Security Plc	ADT House, Mucklow Hill, Halesowen, West Midlands, B62 8AD	1,887.04
CA04	Aegis Advanced Metals Ltd	Suite 24 Bridge House, Riverside North, Bewdley, DY12 1AB	5,610.00
CA05	A E Services Ltd	Cote House, Skipton Road, Crosshills, Keighley, BD20 7DS	720.00
CA06	Airedale Springs	Ebor Works, Haworth, Keighley, BD22 8HT	11,269.89
CA07	Air Products Limited	2 Millennium Gate, Westmere Drive, Crewe, Cheshire, CW1 6AP	2,938.31
CA08	QBE Credit Insurance	c/o A J Marshall (Special Steels) Ltd, Unit 89 Marston Moor Business Park, Rudgate, Tockwith, York, YO26 7QF	1,936.80
CA09	Alberta Springs	Unit 17, Notley Enterprise Park, Raydon Road, Colchester, CO7 6QD	9,362.76
CA0A	Aldermore	1st Floor Block D, Apex Plaza, Forbury Road, Reading, RG1 1AX	75,279.85
CA0B	Alison Handling Services Ltd	Andrea House, Freckleton Road, Kirkham, Lancashire, PR4 3RB	1,690.12
CA0C	American Ring D	30450 Bruce Industrial Park, Solon, OH 44139, USA	276.32
CA0D	Aperam Stainless Services	9 Midland Way, Barlough Links, Barlough, Derbyshire, S43 4XA	16,265.54
CA0E	Ashton Seals	Cortonwood Drive, Cortonwood Business Park, Brampton, Barnsley, S7 0UF	278.10
CA0G	Absolute Hardware	1 Church Street, Stourbridge, West Midlands, DY8 1LT	143.39
CA0H	Assetz Capital Trust Company Limited	Assetz House, Manchester Green, 335 Stylal Road, Manchester, M22 5LW	4,593.72
CA0I	Asset Advantage Ltd	Matrix House Basing View, Basing View, Basingstoke, RG21 4DZ	7,725.40
CA0L	Aston Pharma	27 Old Gloucester Street, London, WC1N 3AX	3,876.00
CB00	BKW Instruments Ltd	Weymouth Road, Winton, Eccles, Manchester, M30 8SH	2,833.20
CB01	Black Telematics Box Ltd	53 West Leake Lane, Kingston on Soar, Nottingham, NG11 0DN	23.98
CB02	Boneham & Turner Limited	Oddicroft Industrial Estate, Oddicroft Lane, Sutton in Ashfield, Nottingham, NG17 5SF	3,665.90
CB03	Bradford Chamber of Commerce	Devere House, Vicar Lane, Bradford, BD1 5AH	406.50
CB04	Bristol Maid Hospital Metalcraft Ltd	Blandford Heights, Blandford Forum, DT11 7TG	221.28
CB05	BSC - Essex Freight	Unit 3-5 Newhall Business Park, Newhall Road, Sheffield, S9 2QD	2,263.00
CB06	BSI Assurance UK Limited	389 Chiswick High Road, London, W4 4AL	880.66
CB07	Business Enterprise Fund	Devere House, Little Germany, Bradford, BD1 5AH	13,941.46
CC00	Camcoat (Diamondzye Ltd) Performance	Oakfield Park Professionals Limited, Unit 1 & 2 Union Business Park, Snaygill Industrial Estate, Keighley Road, Skipton, BD23 2QR	57,589.96

Signature

Dow Schofield Watts Business Recovery LLP
Norvap Engineering Ltd
B - Company Creditors

Key	Name	Address	£
CC01	Camozzi Automation Ltd	The Fluid Power Centre, Watling Street, Nuneaton, Warwickshire, CV11 6BQ	166.74
CC02	Cargo2go	26 Stockport Road, Cheadle, SK8 2AA	540.00
CC03	Ceratex Engineering Ltd	Church Lane Works, Kelbrook, Barnoldswick, Lancashire, BB18 6UF	627.59
CC04	Cerazit UK & Ireland Limited	WNT (UK) Limited, Sheffield Airport Business Park, Sheffield, S9 1XU	10,204.63
CC05	C F Corporate Finance Ltd	Reading International Business Park, Reading, Berkshire, RG2 6AA	196.36
CC06	Citrus Office Solutions	39B Churchill Way, Lomeshaye Industrial Estate, Nelson, Lancashire, BB9 6RT	907.66
CC07	Clark Forklift Solutions Ltd	Clark House, Milner Way, Longlands Ind Est, Osset, Wakefield, WF5 9JE	162.00
CC08	Commerce Business Systems Ltd	Crossley Hall Centre, Thornton Road, Bradford, BD8 0HH	766.79
CC09	Cromwell Tools Ltd	65 Chartwell Drive, Wigston, Leicester, LE18 2FS	464.35
CC0A	CRS Insurance Services	763 Liverpool Road, Peel Green, Eccles, Manchester, M30 7LA	3,222.44
CC0B	Custom Colour Anodising	Unit 6 Ouzledale Foundary, Long Ing, Barnoldswick, BB18 6BJ	65,889.42
CC0C	Cutwell Limited	Unit A Riverside Drive, Cleckheaton, West Yorkshire, BD19 4DH	3,800.15
CC0D	Close Brothers Business Finance	Bridge House, Hesselwood Country Office Park, Feriby Road, Hessele, East Yorkshire, HU13 0PB	44,832.82
CC0E	Catalyst Business Finance Ltd	C/o Turner Parkinson, Hollins Chambers, 64a Bridge Street, Manchester, M3 3BA	183,009.03
CD00	D & A Mouldings	Unit 1 Wellington Street, Clayton-Le-Moors, Accrington, BB5 5HU	4,677.07
CD01	DeVilbiss Healthcare Ltd	Heatfield Lane, Birkenshaw, West Yorkshire, BD11 2HW	10,001.33
CD02	DHL Customs Duty and VAT	PO Box 524, Hounslow, Middlesex, TW3 9LP	2,900.80
CD03	DLC Australia Pty Ltd	17-19 Horne Street, Hoppers Crossing, Victoria, Australia, 3029	380.52
CD04	DPGE Rebuilds Ltd	Unit 11 Mator Ind Units, Tormarton road, Marshfield, SN14 8LJ	1,986.00
CD05	DHL International (UK) Ltd	Southern Hub, Unit 1, Horton Road, Colnbrook	6,833.18
CE00	E Dobson & Co (Gaskets) Ltd	Unit 1 Holme Fell Ind Est, Fell Lane, Keighley, BD22 6BN	660.48
CE01	George Emmott (Pawsons) Springs Ltd	Wadsworth Mill, Oxenhope, West Yorkshire, BD22 9NE	2,096.16
CE02	Engineering and Foundry	Philips Lane Works, Philips Lane, Colne, Lancashire, BB8 9PQ	574.33
CE03	Europix Designs Ltd	Westgate Milol, Wiseman Street5, Burnley, Lancashire, BB11 1RU	10,538.40
CE04	Express Dispense Limited	c/o Dow Schofield Watts Business Recovery LLP, 7400 Daresbury Park, Warrington, WA4 4BS	10,500.00
CF00	Fairway Seals Limited	Account Type: Associate	585.60
CF01	FedEx	Fernie Road, Market Harborough, Leicestershire, LE16 7FS Sutherland House, Matlock Road, Foleshill, Coventry, CV1 4QD	1,649.21

Signature _____

Dow Schofield Watts Business Recovery LLP

Norvap Engineering Ltd

B - Company Creditors

Key	Name	Address	£
CF02	Fork Truck Solutions Ltd	Clarke House, Milner Way, Longlands Ind Est, Ossett, Wakefield, WF5 9JE	252.82
CF03	Feight Movers International Ltd	Consolidated House, Faringdon Avenue, Romford, Essex, RM3 8SP	1,945.47
CF04	The North West Fund for Business Loans	Finance Wales, Yale Business Village, Ellice Way, Wrexham, LL13 7YL	50,221.50
CF05	Funding Circle	71 Queen Victoria Street, London, EC4V 4AY	16,187.40
CG00	GEM Compliance Training Ltd	Airedale Enterprise Services, Sunderland Street, Keighley, West Yorkshire, BD21 5LE	189.60
CG01	G and E Clarke Engineering Supplies	Avenue House, Haworth Road, Cross Roads, Keighley, BD22 9DL	110.00
CG02	Go Plastics Pallets.com	Unit 6 Alder Close, Eastbourne, East Sussex, United Kingdom, BN23 6QF	278.16
CG03	Gostling Limited	Units 1 & 2, Union Business Park, Snaygill Industrial Estate, Keighley Road, Skipton, BD23 2QR	39,624.43
Account Type: Associate			
CG04	Grenke Leasing Ltd	Headquarters UK, 5th Floor Saxon House, 3 Onslow Street, Guildford, Surrey, GU1 4SY	288.00
CG05	GSM Graphic Arts	Castlegarth Works, Thirsk, North Yorkshire, YO7 1PS	288.00
CH00	Halocarbon	6525 The Corners Parkway, Peachtree Corners, GA 30092	2,815.23
CH01	Hawker Plumbing & Heating	Littlecroft, West Lane, Sutton in Craven, North Yorkshire, BD20 7AU	8,442.00
CH02	Henry Schein	College Mains Road, Dumfries, DG2 0NU	1,122.00
CH03	Holosec Ltd	11 Swanmoor Crescent, Bristol, BS10 7EY	177.90
CH04	HM Revenue & Customs	ICHU RMBP3202, Warkworth House, Benton Park View, Longbenton, Newcastle Upon Tyne, NE98 1ZZ	30,444.40
CH05	Hitachi Capital	Hitachi Capital House, Thorpe Road, Staines-upon-Thames, Surrey, TW18 3HP	1,610.71
CI00	Ideal Solutions	32 Pine Street, Haslingden, Rossendale, Lancashire, BB4 5ND	9,020.00
CI01	IMI Precision Engineering	PO Box 22 Blenheim Way, Fradley Park, Lichfield, Staffordshire, WS13 8SY	1,891.67
CI02	Intersurgical	Crane House, Molly Millars Lane, Workingham, Berkshire, RG41 2RZ	2,430.96
CI03	Investec Asset Finance Plc	Reading International Business Park, Reading, Berkshire, RG2 6AA	380.15
CI04	Isis Electronics Ltd	Unit 19, 193 Garth Road, Morden, Surrey, SM4 4LZ	840.00
CJ00	JACS (Keighley) Ltd	c/o Goodwins Credit Management Ltd, Suite 106 - 108 Navigation House, Port of Tyne, South Shields, NE34 0AB	677.35
CJ01	J A Harrison & Co Ltd	Britain Works, Greengate Industrial Estate, Greenside Way, Middleton, Manchester, M24 1SW	498.24
CJ02	Jennings Race Products	Vine Mill, Brookside Street, Oswaldtwistle, Accrington, BB5 3PX	600.00
CJ03	Jenson Consulting Ltd	67 Knowl Piece, Hitchen, Hertfordshire, SG4 0TY	2,000.40

Signature _____

Dow Schofield Watts Business Recovery LLP

Norvap Engineering Ltd

B - Company Creditors

Key	Name	Address	£
CJ04	John Binns & Son (Springs) Ltd	Unit 3 Ghyll Way, Airedale Business Park, Keighley Road, Skipton, BD23 2DD	998.40
CL00	Land Rover Contract Hire	Lex Autolease Ltd, Heathside Park, Heathside Park Road, Stockport, SK3 0RB	1,321.50
CL01	LDF Finance No.2 Ltd	Dee House, St. David's Park, Flintshire, CH5 3XF	12,180.69
CL02	LDF Finance No.1 Ltd	Dee House, St. David's Park, Flintshire, CH5 3XF	5,975.85
CM00	Maceplast UK Ltd	347 Moorside Road, Swinton, Manchester, M27 9HH	8,790.84
CM01	Maclan	Keighley Works, Unit BA, Keighley Business Centre, Keighley, BD21 1AG	3,969.00
CM02	M Duerden Ltd	Unit 2 Healey Wood Road, Burnley, Lancashire, BB11 2NG	138.86
CM03	MEC Medical Ltd	Unit 3 Trust Estate, Wilbury Way, Hitchin, Hertfordshire, SG4 0UZ	777.60
CM04	Medical Device Management Ltd	31 Braintree Business Park, Blackwell Drive, Braintree, Essex, CM7 2PU	8,976.00
CM05	Merritt & Fryers Limited	Firth Street Works, Skipton, BD23 2PX	87.60
CM06	Metal Work UK Ltd	Blackhill Drive, Wolverton Mill, Milton Keynes, MK12 5TS	3,506.01
CM07	Miniature Pressure Gauge Ltd	Block 6 Unit 5 & 6, Shenstone Trading Estate, Bromsgrove Road, Halesowen, West Midlands, B63 3XB	2,492.40
CM08	Montgomery Screen Printing	Red Doles Road, Fartown, Huddersfield, HD2 1AT	3,708.46
CM09	MPB Industries	Unit 1, Branbridge Industrial Estate, East Peckham, TN12 5HF	22,009.00
CM0A	MSC/J&L Industry Supply	7 Pacific Avenue, Wednesbury, West Midlands, BD20 7BX	488.24
CN00	NFU Mutual	Office 4 Fairfield Business Park, Longsight Road, Clayton-Le-Dale, Blackburn, BB2 7JA	775.73
CN01	Nidek Medical	3949 Valley East Industrial Drive, Birmingham, AL 35217	5,115.85
CN02	Northern Carbide Specialist Ltd	Greenbank Technology Park, Challenge Way, Blackburn, Lancashire, BB1 5QB	2,687.26
CN03	Now Pensions	3rd floor, 164 Bishopsgate, London, EC2M 4LX	24.00
CN04	Norvap Ltd	c/o Dow Schofield Watts Business Recovery LLP, 7400 Daresbury Park, Warrington, WA4 4BS	570,575.12
CN05	Norvap Service Limited	Account Type: Associate c/o Dow Schofield Watts Business Recovery LLP, 7400 Daresbury Park, Warrington, WA4 4BS	21,496.00
CN06	Northwest Anaesthesia Ltd	Account Type: Associate c/o Dow Schofield Watts Business Recovery LLP, 7400 Daresbury Park, Warrington, WA4 4BS	13,536.58
CO00	O2 Mobile	Account Type: Associate 260 Bath Road, Slough, Berkshire, SL1 4DX	1,841.90

Signature _____

Dow Schofield Watts Business Recovery LLP

Norvap Engineering Ltd

B - Company Creditors

Key	Name	Address	£
CO01	OESMedical Ltd	ABC House Cotswold Dene, Standlake, Witney, Oxon, Oxfordshire, OX29 7QG	306,153.38
CO02	Oldfield Electrical	Unit 6b, Snaygill Industrial Estate, BD 23 2QR	205.68
CO03	Orapi Applied Ltd	15 Spring Road, Smethwick, West Midlands, B66 1PT	1,070.23
CP00	P3 Medical Limited	1 Newbridge Close, Bristol, BS4 4AX	733.68
CP01	Pendle Forklift Services Ltd	Pendle House, Unit 1 West Craven Drive, West Craven Business Park, Earby, BB18 6JZ	640.80
CP02	Peninsula (Norvap)	The Peninsula, 2 Cheetham Hill Road, Manchester, M4 4FB	924.00
CP03	Pennie Pneumatic Services Ltd	The Yorkshire Air Centre, Rastrick Common, Brighouse, West Yorkshire, HD6 3DR	11,124.87
CP04	Pinnacle Storage Solutions Ltd	E1 E2 E3 Forest Oakes, Aimes Green, Galley Hill Road, Waltham Abbey, EN9 2BJ	526.80
CP05	Piper Glass Ltd	Unit 5, Spring Valley Business Park, St Albans, Hertfordshire, AL3 6PD	2,393.01
CP06	Polycast Ltd	c/o Santander Invoice Finance, 3rd Floor, 1 Cornwall Street, Birmingham, B3 2DX	9,326.28
CP07	Precision Plastic Ball Co	70 Main Street, Addingham, Ilkley, West Yorkshire, LS29 0PL	186.60
CP08	Process Treatments	Stone Gap House, Gisburn Road, Blacko, Lancashire, BB9 6LS	3,840.00
CP09	Progress Plus (BM Sols)	Berkeley Myles Solutions Ltd, Pavilion 4B, Moorpark Court, Glasgow, G51 2JA	7,705.00
CP0A	Performance Lease Finance LLP	5 Kings Court, Kettering Parkway, Kettering, Northants, NN15 6WJ	3,096.46
CP0B	Premium Credit Limited	Ermyrn House, Ermyrn Way, Leatherhead, Surrey, KT22 8UX	6,931.12
CQ00	Quantum Funding Limited	c/o Baker Tilly Creditor Services LLP, 6th Floor, Salisbury House, 31 Finsbury Circus, London, EC2M 5SQ	7,016.50
CR00	Right Fuelcard Co Ltd	Gibraltar House, Bowcliffe Road, Hunslet, Leeds, LS10 1HB	814.89
CR01	Riley & Strutt	Malt Street, Accrington, BB5 1DR	550.69
CR02	Root Solutions Ltd	Church Farm Barn, 15 High Street, Longstanton, Cambridge, CB24 3BP	17,334.00
CR03	RSK Fastenings Ltd	Units 1 & 2, The Market Business Centre, Hanson Lane, Halifax, HX1 5PF	6,775.60
CRBS	The Royal Bank of Scotland	Business Banking, Waterside Court, Western Avenue, Chatham Maritime, Chatham, ME4 4RT	78.25
CS00	Scott Janitorial Supplies Ltd	Beecroft House, Dalton Lane, Keighley, BD21 4JH	564.00
CS01	Societe Generale Equipment Finance Ltd	Parkshot House, 5 Kew Road, Richmond, Surrey, TW9 2PR	27,802.80
CS02	Close Invoice Finance Ltd	c/o SHC Hire Centre Ltd, Carleton New Road, Skipton, BD23 2DE	2,559.00
CS03	Silchrome Plating Limited	Barras Garth Road, Leeds, LS12 4JW	1,816.32
CS04	Smith Metal Centre	3 Epsom Court, Leeds Twenty Seven Industrial Estate, Bruntcliffe Avenue, Morley, LS27 0LL	119,042.85
CS05	Southmedic	50 Alliance Blvd, Barrie, Ontario, L4M 5K3	4.85

Signature _____

Dow Schofield Watts Business Recovery LLP
Norvap Engineering Ltd
B - Company Creditors

Key	Name	Address	£
CS06	Specialised Coatings	Unit 1-3 Mile Cross Works, Gibbet Street, Halifax, HX1 4JG	828.00
CS07	Security Trustee Services Limited	Rate Setter, 6th Floor, 55 Bishopsgate, London, EC2N 3AS	257,812.23
CS08	Santander	2 Triton Square, Regents Place, London, NW1 3AN	5,575.15
CT00	The Retail Factory Ltd	c/o Barclays Sales finance, level 5, One Snowhill, Queensway, Birmingham, B4 6GN	1,672.32
CT01	Think Business Solutions	12 Belton Road, Silsden, BD20 0EE	1,363.49
CT02	Thorite Ltd	Thorite house, Laisterdyke, Bradford, West Yorkshire, BD4 8BZ	480.00
CT03	Thomas Graham and Sons	Speller Way, Kingsmoor Park East, Carlisle, CA6 4SQ	49.78
CT04	ThyssenKrupp Materials	Coxs Lane, Cradley Heath, West Midlands, B64 5QU	17,236.54
CT05	Ticktape Adhesive Specialities Ltd	31 Bone Lane, Newbury, RG14 5SH	227.88
CT06	TKM Engineering	32 Priory Road, Romford, Essex, RM3 9AT	2,677.44
CT07	Towler & Stains Limited	85 Bradford Road, Keighley, BD21 4BL	68.38
CT08	The West Group Limited	29 Aston Road, Waterlooville, Hampshire, PO7 7XJ	5,034.64
CU00	UL AG \$	Ringstrasse 1, Schwerzenbach, Switzerland, 8603	14,497.10
CU01	UL International GMBH	Accounts Receivable, PO Box 5262, 6802 EG Arnhem	1,254.74
CV00	Vernon Moss Electro Plating Ltd	Churchfeild Works, Churchfields Road, Brighouse, HD6 1DH	5,592.21
CV01	Volkswagen Financial Services	Brunswick Court, Yeomans Drive, Blakelands, Milton Keynes, MK14 5LR	688.43
CX00	Xavier Engineering Limited	Unit 2 Riverside Mill, Fleetwood Road, Padiham, BB12 8DG	6,273.60
CX01	Xun Long Product & Project Management	Automation Works, 656 Leeds Road, Huddersfield, HD2 1UB	1,974.00
CY00	Yamazaki Mazak UK Ltd	Badgeworth Drive, Worcester, WR4 9NF	951,871.15
CY01	Yorkshire Water	Western Hoise, Halifax Road, Bradford, West Yorkshire, BD6 2SZ	26.34
151 Entries Totalling			3,304,609.09

Signature _____

Dow Schofield Watts Business Recovery LLP
Norvap Engineering Ltd
C - Shareholders

Key	Name	Address	Type	Nominal Value	No. Of Shares	Called Up per share	Total Amt. Called Up
HG00	Mr Philip Gostling	Hillcrest, 7 Highgate, Cross Hills, Keighley, West Yorkshire, BD20 8BE	Ordinary	1.00	100	1.00	100.00
			Other	1.00	2	1.00	2.00
1 Ordinary Entries Totalling				1.00	100		
1 Other Entries Totalling				1.00	2		

Signature _____

Norvap Engineering Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 07/12/2018

\$ of A £		£	£
	SECURED CREDITORS		
(4,593.72)	Assetz Capital Trust Company Limited	NIL	
(50,221.50)	The North West Fund for Business Lo	NIL	
(257,812.00)	Security Trustee Services Limited	NIL	
			NIL
	HIRE PURCHASE		
10,000.00	Encumbered Plant & Machinery	NIL	
(44,833.00)	Close Brothers Business Finance	NIL	
39,000.00	Encumbered Plant & Machinery	NIL	
(75,280.00)	Aldermore Bank Plc	NIL	
25,500.00	Encumbered Plant & Machinery	NIL	
(27,803.00)	Societe Generale Equipment Finance	NIL	
1,610.71	Encumbered Plant & Machinery	NIL	
(1,610.71)	Hitachi Capital (UK) Plc	NIL	
			NIL
	ASSET REALISATIONS		
6,550.00	Plant and Machinery	NIL	
1,350.00	Office Equipment	NIL	
11,850.00	Stock	NIL	
5,250.00	Equity in Hitachi Capital Agreement	NIL	
Uncertain	Director's Loan Account Philip Gostling	NIL	
Uncertain	Intercompany - Gostling Limited	NIL	
Uncertain	Intercompany - Arc Multi Metal	NIL	
	Sundry Refund	31.25	
			31.25
	PREFERENTIAL CREDITORS		
(19,626.18)	Employee Arrears/Hol Pay	NIL	
			NIL
	UNSECURED CREDITORS		
(2,032,799.55)	Trade & Expense Creditors	NIL	
(76,691.78)	Employees - Redundancy / PILON	NIL	
(570,575.12)	Intercompany - Norvap Ltd	NIL	
(21,496.00)	Intercompany - Norvap Service Limited	NIL	
(79,426.00)	Intercompany - Northwest Anaesthesia	NIL	
(30,444.40)	H.M Revenue & Customs	NIL	
(10,500.00)	Intercompany - Express Dispense Limi	NIL	
(57,589.96)	Intercompany - Diamondyze Ltd	NIL	
			NIL
	DISTRIBUTIONS		
(102.00)	Ordinary Shareholders	NIL	
			NIL
(3,260,294.21)			31.25
	REPRESENTED BY		
	Bank 1 Current		31.25
			31.25

Appendix D: Statement of Pre-Administration Costs

Statement of Pre-Administration Costs

Pre-administration costs are defined in the Insolvency Rules as fees charged and expenses incurred by the administrator or their firm, or another person qualified to act as an insolvency practitioner, before the company entered administration but with a view to its doing so.

Summary of the Joint Administrators' Pre-Administration Costs

	Costs Incurred £	Already Paid £	Balance Unpaid £
Dow Schofield Watts Business Recovery LLP			
Pre-administration time costs:	4,654.50	0.00	4,654.50
Pre-administration disbursements:	0.00	0.00	0.00
Pre-administration expenses:			
Legal costs (including disbursements of £100.00)	1,962.50	0.00	1,962.50
Agent's costs (including disbursements of £64.00)	4,564.00	0.00	4,564.00
Totals	11,181.00	0.00	11,181.00

The Joint Administrators will be seeking approval from the Company's secured and preferential creditors for payment of their pre-administration costs as an expense of the administration.

Further information on each category of pre-administration cost is given below.

Pre-Administration Time Costs of the Joint Administrators

Dow Schofield Watts Business Recovery LLP was instructed on 27 September 2018 to assist with marketing the business and assets of the Company for sale with a view to a sale being concluded via administration. The engagement letter was between Dow Schofield Watts Business Recovery LLP and Norvap Engineering Ltd and included full details of our time recording policy and charge-out rates. No fees were charged for meetings and discussions that took place between our initial meeting on 5 September 2018 and agreement of this engagement.

The Joint Administrators unpaid pre-appointment time costs total £4,654.50 at Dow Schofield Watts Business Recovery LLP standard charging rates (see **Appendix E**). These costs were incurred specifically with a view to administration. These costs relate to:

- Confirming that one of the statutory objectives of administration could be achieved;
- Marketing the business for sale and liaising with interested parties regarding the potential sale of the business and/or its assets.
- Liaising with secured creditors and key stakeholders;
- Carrying out all necessary steps in order to place the Company into administration.

All of the work carried out was necessary to place the Company into administration except for the pre-appointment marketing and liaising with interested parties which was intended to achieve higher realisations and a better outcome for the Company's creditors as a whole in accordance with the statutory objectives of administration.

None of these costs have been paid.

Pre-Administration Expenses

We instructed Taylors Solicitors LLP ("Taylors") to provide legal advice on any proposed sale and to assist with the steps necessary to place the Company into administration. These pre-administration expenses have been incurred by Taylors on a time cost basis, plus disbursements.

We instructed JPS Chartered Surveyors ("JPS") to prepare an inventory and valuation of the Company's assets on going concern (in situ and ex situ) bases and a forced sale basis and provide advice on the proposed sale. These pre-administration expenses have been incurred by JPS on a time cost basis, plus disbursements.

None of these expenses have been paid.

Other Persons Entitled to Claim

I am unaware of any additional costs incurred by any other professionals qualified to act as an insolvency practitioner in respect of the Company. Should any such claims subsequently come to light, they will be dealt with in the manner provided for by the Insolvency Rules.

Not Part of the Joint Administrators' Proposals

Unpaid pre-administration costs total £11,181.00. The payment of pre-administration costs as an expense of the administration is:

- subject to approval under Rule 3.52 of the Insolvency (England & Wales) Rules 2016; and
- not part of the proposals subject to approval under paragraph 53 of Schedule B1 to the Insolvency Act 1986.

Appendix E: Joint Administrators' Time Costs and Expenses

Information relating to the Joint Administrators' Fees and Expenses

1. Fees and disbursement recovery

Time recording policy

It is our policy to seek fee approval on a time costs basis. Work undertaken on insolvency appointments is recorded in 6 minute units on an electronic time recording system. Time properly incurred on cases is charged at the hourly charge-out rate of the grade of staff undertaking the work.

The current hourly charge-out rates are as follows:-

Staff grade	Hourly rate (£) from 4 April 2016
Partner and Insolvency Practitioner	300
Manager	230-250
Assistant Manager	180-225
Senior Case Administrator	145-175
Case Administrator	100-140
Cashier	125
Trainee	70-95

Disbursements policy

Office holders' disbursements fall under two categories:

Category 1 disbursements consist of external supplies of goods or services specifically relating to the case. Where such costs are paid by Dow Schofield Watts Business Recovery LLP, creditor approval is not required for those costs to be recharged to the insolvency estate. Category 1 disbursements will typically include costs such as statutory advertising, specific bond insurance, company search fees, storage, postage, external room hire and travel expenses (excluding business mileage).

Category 2 disbursements are costs that are directly referable to the case but not to a payment to an independent third party. They include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Such disbursements can only be charged to the insolvency estate with the approval of creditors. It is our policy to seek creditor approval for the payment of the following Category 2 disbursements:-

Disbursement type	Rate
Mileage	45p per mile

2. Existing Fee Arrangements

There are no existing fee arrangements. It is my intention to seek fee approval from the Company's secured and preferential creditors.

3. Time and Charge out summary

To 30 November 2018 a total of 91.2 hours have been spent at an average charge out rate of £160.78 bringing the total cost to date to £14,663.50. A summary table is shown overleaf.

Time Entry - SIP9 Time & Cost Summary

N007 - Norvap Engineering Ltd
Project Code: POST
To: 30/11/2018

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.80	1.30	6.10	2.20	10.40	1,635.00	157.21
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	2.40	9.20	49.50	5.50	66.60	10,370.50	155.71
Investigations	0.00	0.30	5.50	0.00	5.80	812.50	140.09
Realisation of Assets	3.60	0.70	3.90	0.20	8.40	1,845.50	219.70
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	6.80	11.50	65.00	7.90	91.20	14,863.50	160.78
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

4. Description of work carried out

Section 3 of this appendix outlines the time costs to date in relation to activities undertaken during this matter. Staff of different levels were involved in the activities below depending on the experience required.

These matters can be summarised as follows:

4.1 Administration and planning

- Statutory duties associated with the appointment including the filing and advertising of relevant notices;
- Notification of the appointment to creditors, members, employees and other interested parties;
- Setting up case files;
- Reviewing available information to determine appropriate strategy;
- Setting up and maintaining bank accounts; and
- Dealing with taxation correspondence.

4.2 Realisation of Assets

- Identifying, securing and insuring of assets;
- Liaising with agents and solicitors;
- Correspondence and meetings with interested parties;
- Agreeing sales of plant & machinery, office equipment and stock;
- Reviewing intercompany debtors;
- Requesting cash at bank; and
- Review of director's loan account.

4.3 Investigations

- Correspondence with the director;
- Collection of relevant books and records from the former trading premises for the purposes of the investigations;
- Initial review of company documentation;
- Review of questionnaires and information provided by creditors; and
- Consideration of initial scope of investigations.

4.4 Creditors

- Recording and maintaining the list of creditors;
- Liaising with secured creditors;
- Dealing with employee related matters;
- Assisting with retention of title claims;
- Liaising with hire purchase and finance creditors;
- Recording creditor claims;
- Reporting to creditors; and
- Responding to creditor queries.

5. Disbursements

The following disbursements have been incurred since the commencement of the administration:

	This period	
	Incurring (£)	Paid (£)
Category 1 disbursements		
Bordereau	117.60	0.00
Mail Re-direction	204.00	0.00
Postage	108.59	0.00
Category 2 disbursements		
Mileage	91.80	0.00
Total	521.99	0.00

The above costs exclude VAT.

6. Professional advisors and expenses

The Joint Administrators have incurred administration expenses in connection with the instruction of the following parties:-

Name	This period	
	Incurring (£)	Paid (£)
JPS Chartered Surveyors (P&M agents)	3,000.00	0.00
Taylor Solicitors LLP (solicitors)	425.00	0.00
Total	3,425.00	0.00

The above costs exclude VAT.