

The Insolvency Act 1986

**Administrator's progress report**

Name of Company

BTL Realisations (2009) limited (formerly Bertram Trading Limited) (In Administration)

Company number

03425946

In the

High Court of Justice, Chancery Division, Birmingham District

[full name of court]

Court case number

8209 of 2009

(a) Insert full name(s)  
and address(es) of  
administrator(s)

I/ We (a) I Best and T Lukic

Ernst &amp; Young LLP, Ernst &amp; Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ

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

from

to

(b) Insert date

(b)

20 September 2010

(b)

11 March 2011

Signed

Joint Administrator(s)

Dated

11/3/11

SATURDAY



AIQ

\*A2UPISKP\*  
19/03/2011  
COMPANIES HOUSE

96

TO MEMBERS AND ALL KNOWN CREDITORS

11 March 2011

Ref BER/IB/RM/SD/D21 1

Sarah Dunkley

Direct line 0121 535 2789  
Direct fax 0121 535 2448

Dear Sirs

**Bertram Group Limited  
BTL Realisations 2009 Limited (formerly Bertram Trading Limited)  
(Both in Administration) (together "the Companies")**

**High Court of Justice, Chancery Division, Birmingham District Registry  
Numbers: 8211 of 2009 and 8209 of 2009**

**Registered office address: c/o Ernst & Young LLP, No.1 Colmore Square, Birmingham,  
B4 6HQ**

I write to provide you with my final progress report in the Administrations, which includes details of the outcome. The report covers the period from 20 September 2010 to 11 March 2011 and should be read in conjunction with the Joint Administrators' Statement of Proposals ("the Proposals") dated 28 April 2009 and previous reports dated 15 October 2009, 19 February 2010 and 1 October 2010.

The Companies, registered numbers 03682165 and 03425946, entered Administration on 20 March 2009 and I Best and T Lukic of Ernst & Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ, were appointed to act as Joint Administrators. The appointments were made by the Companies' Directors under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by either of them.

**Summary of the Proposals**

As reported in the Proposals, the purpose of an administration is to achieve one of three objectives:

- a To rescue the company as a going concern
- b To 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)
- c To realise property in order to make a distribution to one or more secured or preferential creditors

We considered that, in the event that the Companies entered into an insolvency process, we would not be in a position to continue trading the Companies. Therefore, without a buyer ready to acquire the business and assets, immediate closure was the most likely outcome.



The only viable offer for the Companies came from Smiths News 2009 Limited for the acquisition of the business and assets. Following a review of the proposed offer and sale process we concluded that a pre packaged sale of the business and assets would result in a better outcome for the creditors as a whole than could be achieved in an immediate close down and asset sale.

On appointment therefore, we considered objective (b), achieving a better result for creditors as a whole than would be likely if the Companies were to be wound up, to be the purpose of the Administrations.

Consequently, on 20 March 2009 T Lukic and I were appointed as Joint Administrators of the Companies, closely followed by a sale of the business and assets to Smiths News 2009 Limited for a total consideration of £8,611,622.

The Proposals were accepted at the creditors meeting held on 18 May 2009.

### **Summary of progress**

Since our last report the following key areas have been finalised:

- ▶ A first and final distribution to non preferential creditors of the Companies has been declared and paid,
- ▶ All statutory duties, including the submission of the final corporation tax returns, have been completed, and
- ▶ All our administrative duties.

### **Extension to the initial period of appointment**

Our application to Court to extend the Administrations to 19 March 2011, to enable the Joint Administrators to finalise all outstanding matters appropriately, was granted on 5 March 2010.

### **Distributions to creditors**

#### ***Secured creditors***

Lloyds TSB Commercial Finance Limited ("LTSCF"), the Companies' principal secured lender, had a total indebtedness of £7,562,000 as at 20 March 2009 including interest.

The secured lender has been paid in full.

#### ***Preferential creditors***

All employees transferred to Smiths News 2009 Limited on the sale of the business and assets of the Companies on 20 March 2009. At the date of my appointment there were no pension contributions outstanding. As a result there were no preferential creditors in the Companies.

### Non preferential creditors

Below is a table summarising the first and final distributions made to the non preferential creditors of the Companies

	Bertram Group Limited	BTL Realisations 2009 Limited
Available for distribution to the non preferential creditors*	£44,056	£793,315
Total non preferential creditors' claims	£49,308,960	£39,866,562
Dividend	0.0009 p/£	0.0199 p/£
<b>Distribution</b>		
ABL creditors**	£35,505	£790,059
HM Revenue & Customs	£932	£402
Intercompany creditors	£7,618	-
Trade creditors	-	£2,853

\*The distribution to non preferential creditors in BTL Realisations 2009 Limited was made following receipt of a dividend from Bertram Group Limited of £7,618 in settlement of its intercompany debt

\*\*The distribution made to the ABL's in BTL Realisations 2009 Limited of £790,059 takes into account the dividend received from Bertram Group Limited of £35,505

### Trade creditors

The trade creditor claims received in the Administration of BTL Realisations 2009 Limited totalled c £143,000. A distribution of £2,853 has been paid to the trade creditors.

### Intercompany creditors

A distribution of £7,618 was made in respect of an intercompany debt due to BTL Realisations 2009 Limited from Bertram Group Limited of £8,526,000.

### ABL creditors

A claim was submitted by the agent representing the two second lien facility providers totalling £39,738,437. As both of the Companies were guarantors under the second lien agreement, the ABLs were able to submit a claim in both Companies. The ABL creditors received distributions in the Administrations totalling £825,564.

### Pension Protection Fund

As previously reported, following the purchase by EUK, the Companies became sponsoring employers to the Woolworths Group Pension Scheme ("the Scheme"). A provisional claim from the Pension Protection Fund ("PPF") for £564 million in relation to the Scheme was received. Since our last report, the PPF advised that it would not be submitting a claim against either of the Companies. Consequently no distribution was made to the PPF.

**HM Revenue & Customs**

Distributions totalling £1,334 were paid to HM Revenue & Customs in respect of the claims received for PAYE/NIC and corporation tax liabilities arising on appointment

**Remaining assets**

There are no remaining assets to realise in the Administrations

**Receipts and payments accounts**

I enclose a receipts and payments account for the period from 20 September 2010 to 11 March 2011 at Appendices 1 and 2 in respect of Bertram Group Limited and BTL Realisations 2009 Limited

**Joint Administrators' remuneration and disbursements**

The Administrators' remuneration was fixed on a time-cost basis by a resolution of the creditors passed on 18 May 2009. The Administrators incurred time costs of £54,222 and £138,775 in respect of Bertram Group Limited and BTL Realisations 2009 Limited. The time costs have been billed in full. An analysis of time spent is attached as Appendices 3 and 4 to this report. At Appendix 5 there is a statement of the Administrators' policy in relation to charging time and disbursements.

The sum of £453 was drawn in respect of disbursements, as recorded in the abstracts of receipts and payments at Appendices 1 and 2.

**The outcome of the Administrations**

In accordance with the terms of the Proposals, as there are no further assets to be realised or distributions to be made, the Companies will move from Administration to dissolution. The Administrations will come to an end on the date on which the notice is registered by the Registrar of Companies and the Companies will be deemed to be dissolved three months later. I attach at Appendices 6 and 7, Forms 2 35B, Notice of move from Administration to dissolution, in respect of the Companies.

In accordance with paragraph 98(3) of Schedule B1 of the Insolvency Act 1986, the Joint Administrators have received a resolution of discharge from liability from LTSBCF, the secured creditor. In effect, this means that the Administrators will then be discharged from liability in respect of any actions they have taken in the Administrations.

Should you have any remaining questions about the Administrations, please do not hesitate to contact Sarah Dunkley on the above direct line

Yours faithfully  
for the Companies



I Best  
Joint Administrator

Appendices 1 & 2	Joint Administrators' receipts and payments account
Appendices 3 & 4	Summary of Joint Administrators' time-costs and category 2 disbursements
Appendix 5	Joint Administrators' charging policy for fees and disbursements
Appendices 6 & 7	Forms 2 35B, Notice of move from Administration to dissolution

I Best and T Lukic are licensed in the United Kingdom to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales

The affairs, business and property of the Companies are being managed by the Joint Administrators, I Best and T Lukic, who act as agents of the Companies only and without personal liability

We may collect, use, transfer, store or otherwise process (collectively, "Process") information that can be linked to specific individuals ("Personal Data") We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act 1998

## Bertram Group Limited (In Administration)

Joint Administrators' abstract of receipts and payments from 20 September 2010 to 11 March 2011

<i>Statement of affairs estimated to realise values</i>		<i>To 19 September 2010</i>	<i>In this report period</i>	<i>Total</i>
£	<u>Receipts</u>			
	<u>Floating charge realisations</u>			
-	Bank interest	287	30	317
-	Licence fee	221,550	-	221,550
40,000	Plant and machinery	40,000	-	40,000
64,000	Prepayments and other debtors	63,717	-	63,717
		<hr/>		
		325,554	30	325,584
	<u>Payments</u>			
-	Administrators' fees and disbursements	(43,557)	(10,707)	(54,264)
-	Bank interest and charges	(477)	(43)	(520)
-	Corporation tax fees	(4,000)	-	(4,000)
-	Distribution to non preferential creditors	-	(44,056)	(44,056)
-	Insurance	(63)	-	(63)
-	Public notices	(604)	(161)	(765)
-	Rent	(221,550)	-	(221,550)
-	Specific bond	(264)	-	(264)
-	Sundry expenses	(65)	(37)	(103)
		<hr/>		
		(270,580)	(55,004)	(325,584)
	<u>Balance in hand</u>	<hr/>		
		54,974	(54,974)	-

**BTL Realisations 2009 Limited (formerly Bertram Trading Limited) (In Administration)**

Joint Administrators' abstract of receipts and payments from 20 September 2010 to 11 March 2011

<i>Statement of affairs estimated to realise values</i>		<i>To 19 September 2010</i>	<i>In this report period</i>	<i>Total</i>
£	<u>Receipts</u>			
	<u>Fixed charge realisations</u>			
900,000	Property	900,000	-	900,000
6,662,000	Trade debtors	6,662,000	-	6,662,000
	<u>Floating charge realisations</u>			
-	Bank interest	4,286	630	4,916
137,000	Cash	137,000	-	137,000
-	Dividend from Bertram Group Limited	-	7,618	7,618
11,000	Other debtors	11,283	-	11,283
628,000	Plant and machinery	628,000	-	628,000
137,000	Stock	170,000	-	170,000
		<u>8,512,569</u>	<u>8,248</u>	<u>8,520,817</u>
	<u>Payments</u>			
-	Administrators' fees and disbursements	(117,544)	(21,641)	(139,185)
-	Legal fees	(15,966)	-	(15,966)
-	Bank interest and charges	(389)	(151)	(540)
-	Corporation tax fees	(7,000)	-	(7,000)
	Corporation tax charges	-	(1,028)	(1,028)
-	Distribution to non preferential creditors	-	(793,315)	(793,315)
-	Hire of room	(261)	-	(261)
-	Insurance	(63)	-	(63)
-	LTSBCF	(7,562,000)	-	(7,562,000)
-	Public notices	(604)	(161)	(765)
-	Specific bond	(528)	-	(528)
-	Storage charges	-	(165)	(165)
		<u>(7,704,355)</u>	<u>(816,461)</u>	<u>(8,520,817)</u>
	Balance in hand	808,214	(808,214)	-



**Bertram Group Limited (in Administration)**

Summary of Joint Administrators' time-costs and category 2 disbursements from 20 September 2010 to 11 March 2011

Classification of work function	Hours				Total hours	Total time costs £	Average rate £
	Partner / director	Manager	Other senior professionals	Assistants & support			
Accounting and administration	1.0	6.9	55.0	56.4	119.3	19,510.5	163.5
Bank & statutory reporting	0.3	9.7	22.4	12.3	44.7	8,574.0	191.8
Creditors	6.5	2.0	14.5	30.7	53.7	9,910.0	184.5
Employee matters	-	1.0	-	-	1.0	312.5	312.5
Immediate tasks	0.8	2.5	8.0	1.2	12.5	2,606.0	208.5
Investigation/CDDA	0.4	-	11.0	-	11.4	2,398.0	210.4
Legal issues	0.8	-	-	-	0.8	396.0	495.0
Other assets	1.4	-	-	-	1.4	693.0	495.0
Other matters	1.3	-	15.5	4.0	20.8	4,143.5	199.2
Statutory duties	0.9	2.8	1.0	0.6	5.3	1,667.5	314.6
VAT & taxation	-	2.9	2.5	10.1	15.5	4,011.0	258.8
<b>Total hours</b>	<b>13.4</b>	<b>27.8</b>	<b>129.9</b>	<b>115.3</b>	<b>286.4</b>		
<b>Time costs £</b>	<b>6,880.5</b>	<b>9,205.0</b>	<b>28,262.5</b>	<b>12,094.0</b>		<b>54,222.0</b>	<b>189.3</b>
<b>Disbursements £</b>						<b>42.0</b>	
<b>Average rate £</b>	<b>497.1</b>	<b>331.1</b>	<b>202.2</b>	<b>104.9</b>			

**Category 2 Disbursements**

No category 2 disbursements have been incurred

**Charge out rates**

Title	Hourly rate to 30 June 2010 (£)	Hourly rate from 1 July 2010 (£)
<b>Partner/director</b>		
Partner	495	520
Director	405	425
<b>Manager</b>		
Assistant director	350	370
Senior executive - tax	360	380
Senior executive	275	290
<b>Other senior professionals</b>		
Executive	200	210
<b>Assistants and support</b>		
Assistant executive	155	165
Analyst 3 - tax	160	165
Analyst 3	120	125
Analyst 2	100	105
Analyst 1	85	90
Cashier	100	105
Account co-ordinator	95	100
Placement	60	85

**BTL Realisations 2009 Limited (formerly Bertram Trading Limited)  
(In Administration)**

Summary of Joint Administrators' time-costs and category 2 disbursements from 20 September 2010 to 11 March 2011

Classification of work function	Hours				Total hours	Total time costs £	Average rate £
	Partner / director	Manager	Other senior professionals	Assistants & support			
Accounting and administration	17	127	753	902	1799	28,560.5	158.8
Bank & statutory reporting	39	265	399	556	1259	25,012.0	198.7
Creditors	267	117	645	783	1812	37,841.0	208.8
Debtors	-	05	-	03	08	205.0	256.3
Employee matters	-	-	30	13	43	752.5	175.0
General	-	05	20	87	112	798.5	71.3
Immediate tasks	142	150	63	-	355	13,516.5	380.7
Investigation/CDOA	34	-	80	07	121	3,342.5	276.2
Legal issues	13	-	10	-	23	843.5	366.7
Other assets	37	-	-	06	43	1,882.5	437.8
Other matters	27	-	435	23	485	10,160.0	209.5
Property	-	-	15	-	15	300.0	200.0
Retention of title	-	15	40	09	64	1,401.5	219.0
Statutory duties	25	68	45	93	231	5,793.0	250.8
VAT & taxation	-	91	134	122	347	8,365.5	241.1
<b>Total hours</b>	<b>601</b>	<b>843</b>	<b>2669</b>	<b>2604</b>	<b>6717</b>		
<b>Time costs £</b>	<b>29,787.0</b>	<b>29,440.0</b>	<b>55,003.5</b>	<b>24,121.0</b>		<b>138,774.5</b>	<b>206.6</b>
<b>Disbursements</b>						<b>410.5</b>	
<b>Average rate £</b>	<b>495.6</b>	<b>349.2</b>	<b>206.1</b>	<b>92.6</b>			

**Category 2 Disbursements**

Expenses	£
Category 1	274.54
Category 2	136.00
<b>Total</b>	<b>410.54</b>

Nature of expense	Amount £
Mileage - firm's car	0.00
Mileage - own car	136.00
<b>Total</b>	<b>136.00</b>

**Bertram Group Limited  
BTL Realisations 2009 Limited (formerly Bertram Trading Limited)  
(Both in Administration)**

**Office Holders' Charging Policy for Fees**

A resolution of creditors passed on 18 May 2009 has determined that the Administrators' remuneration should be fixed on the basis of time properly spent by the Administrators and their staff in attending to matters arising in the Administrations

The Administrators engaged a manager and other staff to work on the cases. The work required was delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance was provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance duties. Work carried out by all staff was subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters was charged to a separate time code established for each case. Each member of staff had a specific hourly rate, which was subject to change over time. The average hourly rate for each category of staff over the period is shown in Appendices 3 and 4, as are the latest hourly rates used. The latest hourly rates may be higher than the average rates, if hourly rates increased over the period covered by this report.

**Office Holders' Charging Policy for Disbursements**

Statement of Insolvency Practice No. 9 ("SIP 9") published by R3 (The Association of Business Recovery Professionals) divides disbursements into two categories.

Category 1 disbursements comprise payments made by the office holders' firm, which comprise specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. These disbursements can be paid from the insolvent's assets without approval from the Committee. In line with SIP 9, it is our policy to disclose such disbursements drawn but not to seek approval for their payment.

Category 2 disbursements comprise payments made by the office holders' firm which include elements of shared or overhead costs. It was resolved at the meeting of creditors that the Joint Administrator could draw Category 2 disbursements in accordance with the statement of charging policy set out in the Proposals. In line with SIP 9, approval was obtained for Category 2 disbursements before they were drawn.

**Bertram Group Limited  
BTL Realisations 2009 Limited (formerly Bertram Trading Limited)  
(Both in Administration)**

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**BTL Realisations 2009 Limited (formerly Bertram Trading Limited)  
(In Administration)**

Summary of Joint Administrators' time-costs and category 2 disbursements from 20 September 2010 to 11 March 2011

Classification of work function	Hours				Total hours	Total time costs £	Average rate £
	Partner / director	Manager	Other senior professionals	Assistants & support			
Accounting and administration	17	127	753	902	1799	28,560.5	158.8
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Other matters	27	-	435	23	485	10,160.0	209.5
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<b>Disbursements</b>						<b>410.5</b>	
<b>Average rate £</b>	<b>495.6</b>	<b>349.2</b>	<b>206.1</b>	<b>82.6</b>			

**Category 2 Disbursements**

Expenses	£
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<b>Total</b>	<b>410.54</b>

Nature of expense	Amount £
Mileage - firm's car	0.00
Mileage - own car	136.00
<b>Total</b>	<b>136.00</b>

### Bertram Group Limited (in Administration)

Summary of Joint Administrators' time-costs and category 2 disbursements from 20 September 2010 to 11 March 2011

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	Partner / director	Manager	Other senior professionals	Assistants & support			
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Investigation/CDDA	0.4	-	11.0	-	11.4	2,398.0	210.4
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<b>Time costs £</b>	<b>6,860.5</b>	<b>9,205.0</b>	<b>26,262.5</b>	<b>12,094.0</b>	-	<b>54,222.0</b>	<b>189.3</b>
<b>Disbursements £</b>	-	-	-	-	-	<b>42.0</b>	-
<b>Average rate £</b>	<b>497.1</b>	<b>331.1</b>	<b>202.2</b>	<b>104.9</b>	-	-	-

### Category 2 Disbursements

No category 2 disbursements have been incurred

### Charge out rates

Title		Hourly rate to 30 June 2010 (£)	Hourly rate from 1 July 2010 (£)
Partner/director	Partner	495	520
	Director	405	425
Manager	Assistant director	350	370
	Senior executive - tax	360	380
	Senior executive	275	290
Other senior professionals	Executive	200	210
	Assistant executive	155	165
Assistants and support	Analyst 3 - tax	160	165
	Analyst 3	120	125
	Analyst 2	100	105
	Analyst 1	85	90
	Cashier	100	105
	Account co-ordinator	95	100
	Placement	60	85

**BTL Realisations 2009 Limited (formerly Bertram Trading Limited) (In Administration)**

Joint Administrators' abstract of receipts and payments from 20 September 2010 to 11 March 2011

<i>Statement of affairs estimated to realise values</i>		<i>To 19 September 2010</i>	<i>In this report period</i>	<i>Total</i>
£	<u>Receipts</u>			
	<u>Fixed charge realisations</u>			
900,000	Property	900,000	-	900,000
6,662,000	Trade debtors	6,662,000	-	6,662,000
	<u>Floating charge realisations</u>			
-	Bank interest	4,286	630	4,916
137,000	Cash	137,000	-	137,000
-	Dividend from Bertram Group Limited	-	7,618	7,618
11,000	Other debtors	11,283	-	11,283
628,000	Plant and machinery	628,000	-	628,000
137,000	Stock	170,000	-	170,000
		<b>8,512,569</b>	<b>8,248</b>	<b>8,520,817</b>
	<u>Payments</u>			
-	Administrators' fees and disbursements	(117,544)	(21,641)	(139,185)
-	Legal fees	(15,966)	-	(15,966)
-	Bank interest and charges	(389)	(151)	(540)
-	Corporation tax fees	(7,000)	-	(7,000)
-	Corporation tax charges	-	(1,028)	(1,028)
-	Distribution to non preferential creditors	-	(793,315)	(793,315)
-	Hire of room	(261)	-	(261)
-	Insurance	(63)	-	(63)
-	LTSBCF	(7,562,000)	-	(7,562,000)
-	Public notices	(604)	(161)	(765)
-	Specific bond	(528)	-	(528)
-	Storage charges	-	(165)	(165)
		<b>(7,704,355)</b>	<b>(816,461)</b>	<b>(8,520,817)</b>
	Balance in hand	<b>808,214</b>	<b>(808,214)</b>	<b>-</b>

**Bertram Group Limited (In Administration)**

Joint Administrators' abstract of receipts and payments from 20 September 2010 to 11 March 2011

<i>Statement of affairs estimated to realise values</i>		<i>To 19 September 2010</i>	<i>In this report period</i>	<i>Total</i>
£	<u>Receipts</u>			
	<u>Floating charge realisations</u>			
-	Bank interest	287	30	317
-	Licence fee	221,550	-	221,550
40,000	Plant and machinery	40,000	-	40,000
64,000	Prepayments and other debtors	63,717	-	63,717
		<hr/>		
		325,554	30	325,584
		<hr/>		
	<u>Payments</u>			
-	Administrators' fees and disbursements	(43,557)	(10,707)	(54,264)
-	Bank interest and charges	(477)	(43)	(520)
-	Corporation tax fees	(4,000)	-	(4,000)
-	Distribution to non preferential creditors	-	(44,056)	(44,056)
-	Insurance	(63)	-	(63)
-	Public notices	(604)	(161)	(765)
-	Rent	(221,550)	-	(221,550)
-	Specific bond	(264)	-	(264)
-	Sundry expenses	(65)	(37)	(103)
		<hr/>		
		(270,580)	(55,004)	(325,584)
		<hr/>		
	Balance in hand	54,974	(54,974)	-
		<hr/>		



Should you have any remaining questions about the Administrations, please do not hesitate to contact Sarah Dunkley on the above direct line

Yours faithfully  
for the Companies



I Best  
Joint Administrator

Appendices 1 & 2	Joint Administrators' receipts and payments account
Appendices 3 & 4	Summary of Joint Administrators' time-costs and category 2 disbursements
Appendix 5	Joint Administrators' charging policy for fees and disbursements
Appendices 6 & 7	Forms 2 35B, Notice of move from Administration to dissolution

I Best and T Lukic are licensed in the United Kingdom to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales

The affairs, business and property of the Companies are being managed by the Joint Administrators, I Best and T Lukic, who act as agents of the Companies only and without personal liability

We may collect, use, transfer, store or otherwise process (collectively, "Process") information that can be linked to specific individuals ("Personal Data") We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act 1998

### **HM Revenue & Customs**

Distributions totalling £1,334 were paid to HM Revenue & Customs in respect of the claims received for PAYE/NIC and corporation tax liabilities arising on appointment

### **Remaining assets**

There are no remaining assets to realise in the Administrations

### **Receipts and payments accounts**

I enclose a receipts and payments account for the period from 20 September 2010 to 11 March 2011 at Appendices 1 and 2 in respect of Bertram Group Limited and BTL Realisations 2009 Limited

### **Joint Administrators' remuneration and disbursements**

The Administrators' remuneration was fixed on a time-cost basis by a resolution of the creditors passed on 18 May 2009. The Administrators incurred time costs of £54,222 and £138,775 in respect of Bertram Group Limited and BTL Realisations 2009 Limited. The time costs have been billed in full. An analysis of time spent is attached as Appendices 3 and 4 to this report. At Appendix 5 there is a statement of the Administrators' policy in relation to charging time and disbursements.

The sum of £453 was drawn in respect of disbursements, as recorded in the abstracts of receipts and payments at Appendices 1 and 2.

### **The outcome of the Administrations**

In accordance with the terms of the Proposals, as there are no further assets to be realised or distributions to be made, the Companies will move from Administration to dissolution. The Administrations will come to an end on the date on which the notice is registered by the Registrar of Companies and the Companies will be deemed to be dissolved three months later. I attach at Appendices 6 and 7, Forms 2 35B, Notice of move from Administration to dissolution, in respect of the Companies.

In accordance with paragraph 98(3) of Schedule B1 of the Insolvency Act 1986, the Joint Administrators have received a resolution of discharge from liability from LTSBCF, the secured creditor. In effect, this means that the Administrators will then be discharged from liability in respect of any actions they have taken in the Administrations.

### **Non preferential creditors**

Below is a table summarising the first and final distributions made to the non preferential creditors of the Companies

	Bertram Group Limited	BTL Realisations 2009 Limited
Available for distribution to the non preferential creditors*	£44,056	£793,315
Total non preferential creditors' claims	£49,308,960	£39,866,562
Dividend	0.0009 p/£	0.0199 p/£
<b>Distribution</b>		
ABL creditors**	£35,505	£790,059
HM Revenue & Customs	£932	£402
Intercompany creditors	£7,618	-
Trade creditors	-	£2,853

\*The distribution to non preferential creditors in BTL Realisations 2009 Limited was made following receipt of a dividend from Bertram Group Limited of £7,618 in settlement of its intercompany debt

\*\*The distribution made to the ABL's in BTL Realisations 2009 Limited of £790,059 takes into account the dividend received from Bertram Group Limited of £35,505

### **Trade creditors**

The trade creditor claims received in the Administration of BTL Realisations 2009 Limited totalled c £143,000. A distribution of £2,853 has been paid to the trade creditors.

### **Intercompany creditors**

A distribution of £7,618 was made in respect of an intercompany debt due to BTL Realisations 2009 Limited from Bertram Group Limited of £8,526,000.

### **ABL creditors**

A claim was submitted by the agent representing the two second lien facility providers totalling £39,738,437. As both of the Companies were guarantors under the second lien agreement, the ABLs were able to submit a claim in both Companies. The ABL creditors received distributions in the Administrations totalling £825,564.

### **Pension Protection Fund**

As previously reported, following the purchase by EUK, the Companies became sponsoring employers to the Woolworths Group Pension Scheme ("the Scheme"). A provisional claim from the Pension Protection Fund ("PPF") for £564 million in relation to the Scheme was received. Since our last report, the PPF advised that it would not be submitting a claim against either of the Companies. Consequently no distribution was made to the PPF.

The only viable offer for the Companies came from Smiths News 2009 Limited for the acquisition of the business and assets. Following a review of the proposed offer and sale process we concluded that a pre packaged sale of the business and assets would result in a better outcome for the creditors as a whole than could be achieved in an immediate close down and asset sale.

On appointment therefore, we considered objective (b), achieving a better result for creditors as a whole than would be likely if the Companies were to be wound up, to be the purpose of the Administrations.

Consequently, on 20 March 2009 T Lukic and I were appointed as Joint Administrators of the Companies, closely followed by a sale of the business and assets to Smiths News 2009 Limited for a total consideration of £8,611,622.

The Proposals were accepted at the creditors meeting held on 18 May 2009.

### **Summary of progress**

Since our last report the following key areas have been finalised:

- ▶ A first and final distribution to non preferential creditors of the Companies has been declared and paid,
- ▶ All statutory duties, including the submission of the final corporation tax returns, have been completed, and
- ▶ All our administrative duties.

### **Extension to the initial period of appointment**

Our application to Court to extend the Administrations to 19 March 2011, to enable the Joint Administrators to finalise all outstanding matters appropriately, was granted on 5 March 2010.

### **Distributions to creditors**

#### ***Secured creditors***

Lloyds TSB Commercial Finance Limited ("LTSBCF"), the Companies' principal secured lender, had a total indebtedness of £7,562,000 as at 20 March 2009 including interest.

The secured lender has been paid in full.

#### ***Preferential creditors***

All employees transferred to Smiths News 2009 Limited on the sale of the business and assets of the Companies on 20 March 2009. At the date of my appointment there were no pension contributions outstanding. As a result there were no preferential creditors in the Companies.

TO MEMBERS AND ALL KNOWN CREDITORS

11 March 2011

Ref BER/IB/RMc/SD/D21 1

Sarah Dunkley

Direct line 0121 535 2789  
Direct fax 0121 535 2448

Dear Sirs

**Bertram Group Limited  
BTL Realisations 2009 Limited (formerly Bertram Trading Limited)  
(Both in Administration) (together "the Companies")**

**High Court of Justice, Chancery Division, Birmingham District Registry  
Numbers: 8211 of 2009 and 8209 of 2009**

**Registered office address: c/o Ernst & Young LLP, No.1 Colmore Square, Birmingham,  
B4 6HQ**

I write to provide you with my final progress report in the Administrations, which includes details of the outcome. The report covers the period from 20 September 2010 to 11 March 2011 and should be read in conjunction with the Joint Administrators' Statement of Proposals ("the Proposals") dated 28 April 2009 and previous reports dated 15 October 2009, 19 February 2010 and 1 October 2010.

The Companies, registered numbers 03682165 and 03425946, entered Administration on 20 March 2009 and I Best and T Lukic of Ernst & Young LLP, No 1 Colmore Square, Birmingham, B4 6HQ, were appointed to act as Joint Administrators. The appointments were made by the Companies' Directors under the provisions of paragraph 22(2) of Schedule B1 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by either of them.

**Summary of the Proposals**

As reported in the Proposals, the purpose of an administration is to achieve one of three objectives.

- a To rescue the company as a going concern
- b To 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)
- c To realise property in order to make a distribution to one or more secured or preferential creditors

We considered that, in the event that the Companies entered into an insolvency process, we would not be in a position to continue trading the Companies. Therefore, without a buyer ready to acquire the business and assets, immediate closure was the most likely outcome.

