

Rule 2.33

Form 2.17B

The Insolvency Act 1986

Statement of administrator's proposals 2.17B

Name of Company: J H Birtwistle & Company Limited	Company number: 0037516
In the: High Court of Justice, Leeds District Registry <div style="text-align: right; font-size: small;">[full name of court]</div>	Court case number: 975 of 2009

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

We, (a) Julian Pitts and David Wilson of Begbies Traynor, Glendevon House, Hawthorn Park, Coal Road Leeds LS14 1PQ

attach a copy of our proposals in respect of the administration of the above company.

* Delete as applicable

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 20 May 2009

Signed: _____

Joint Administrators

Dated: _____

20/05/09

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to the public.

Begbies Traynor	
Glendevon House, Hawthorn Park, Coal Road Leeds LS14 1PQ	
	Tel: 0113 2375560
Fax Number: 0113 2375561	DX Number:

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff



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12/06/2009

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COMPANIES HOUSE

FRIDAY

Julian Pitts and David Wilson appointed Joint Administrators on 1 April 2009

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as the Company's agents.

JH Birtwistle & Company Limited (In Administration)

Report and Proposals of the Joint Administrators under the provisions of Paragraph 49 of Schedule B1 to the Insolvency Act 1986

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"JHB"	J H Birtwistle & Company Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 of the Insolvency Act 1986 on 1 April 2009
"the Joint Administrators"	Julian Nigel Richard Pitts of Begbies Traynor, Glendevon House, Hawthorn Park, Coal Road, Leeds LS14 1PQ and David Frederick Wilson of Begbies Traynor, Glendevon House, Hawthorn Park, Coal Road, Leeds LS14 1PQ
"the Act"	The Insolvency Act 1986, as amended
"the Rules"	The Insolvency Rules 1986, as amended
"the creditors"	All preferential creditors and all unsecured creditors
"preferential creditor"	Any creditor of the Company whose claim is preferential within Section 386 of the Insolvency Act 1986 as at 1 April 2009 being the date the Company entered administration.
"unsecured creditor"	Any person (other than a preferential creditor) who has, or claims to have, any claim against the Company (whether the claim be present, future or contingent or prospective and whether liquidated or for damages and whether arising in contract or tort or otherwise) in connection with or arising from any matter occurring prior to 1 April 2009.

2. STATUTORY INFORMATION

Date of Incorporation:	11 November 1892
Company registered number:	0037516
Registered office:	Glendevon House, Hawthorn Park, Coal Road, Leeds, LS14 1PQ
Trading address:	Grane Road Mill, Grans Road, Haslingden, Rossendale, Lancashire, BB4 5ET
Principal business activities:	Cotton-type Weaving
Trading names:	N/A
Directors:	James Kidd Aidan Wilson Queen
Company Secretary:	Aidan Wilson Queen
Auditors:	Robertshaw & Myers, Chartered Accountants
Share capital:	875,052 £1 Ordinary Shares
Shareholders:	Apex Textiles Limited

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Name(s) of joint administrator(s):	Julian Pitts, Partner and Licensed Insolvency Practitioner of Begbies Traynor, Glendevon House, Hawthorn Park, Coal Road, Leeds LS14 1PQ and David Wilson, Partner and Licensed Insolvency Practitioner of Begbies Traynor, Glendevon House, Hawthorn Park, Coal Road, Leeds LS14 1PQ
Date of administrators' appointment:	1 April 2009
Court:	High Court of Justice, Leeds, 975 of 2009
Person(s) making appointment / application:	The directors of the Company
Acts of the Joint Administrators:	The Joint Administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
EC Regulation on Insolvency:	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000) applies to these proceedings which are '[main / territorial] proceedings' within the meaning of Article 3 of the Regulation.

STATUTORY PURPOSE OF ADMINISTRATION

Paragraph 3 of Schedule B1 to the Act provides as follows:

"3 (1) The administrator of a company must perform his functions with the objective of:

- (a) rescuing the company as a going concern, or
- (b) achieving 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) realising property in order to make a distribution to one or more secured or preferential creditors.

(2) Subject to subparagraph (4), the administrator of a company must perform his functions in the interests of the company's creditors as a whole.

(3) The administrator must perform his functions with the objective specified in subparagraph (1)(a) unless he thinks either:

- (a) that it is not reasonably practicable to achieve that objective, or
- (b) that the objective specified in subparagraph (1)(b) would achieve a better result for the company's creditors as a whole.

(4) The administrator may perform his functions with the objective specified in subparagraph (1)(c) only if:

- (a) he thinks that it is not reasonably practicable to achieve either of the objectives specified in subparagraph (1)(a) and (b), and
- (b) he does not unnecessarily harm the interests of the creditors of the company as a whole."

4. CIRCUMSTANCES GIVING RISE TO THE APPOINTMENT OF ADMINISTRATORS

J H Birtwistle & Company Limited ("JHB") was established in 1892 operating as a weaver of print based furnishing and industrial fabrics. It operates from leasehold premises in Haslingden, Lancashire. The business was acquired by the John Lewis Partnership ("JLP") in 1988 and the focus of the business became the supply of natural fabrics to Stead McAlpin & Company Limited ("SM"), a fabric printer also owned by JLP. JHB has over a hundred years experience in the textile industry and is well known as a producer of high-quality products and has established an excellent reputation for its technical abilities. Around half of JHB's total revenue is accounted for by SM.

In September 2007 both the Company and SM were bought by Apex Textiles Limited ("ATL"), a new company established for the purpose of the acquisition. In July 2008 the Company acquired W M Lawrence & Sons ("WML"), a local based filament yarn processor and weaver. WML operations were integrated into the Company's site in Haslingden. Although fully integrated into JHB site, the WML trading style was continued as a division of JHB.

Following the purchase of the Company from JLP in September 2007, the Company's financial year was changed from January to September. The audited accounts for the year ending January 2007, before the acquisition by JLP, show a turnover of £5.27m for which there was a gross profit of £605,000 and, after expenses and exceptional items, resulted in a loss of earnings before interest and tax ("EBIT") of £(661,000).

To fund the acquisition of WML, JHB undertook a sale and leaseback of its freehold premises in September 2008. This resulted in a profit on disposal of £864,093, which masked the underlying loss, to produce a net profit for the year of £409,499.

Those audited accounts for the year ended September 2008 disclose a turnover of £5.73m, resulting in a gross profit of £470,900 after costs however the operating loss before exceptional items was £(419,794). The profit at the EBIT level is attributable to the sale of the freehold property in September 2008.

As detailed earlier in the report, JHB was heavily reliant upon SM for its turnover however, sales orders received at SM in December 2008 forecast a substantial reduction in cloth requirement for January 2009.

As demonstrated in the 2008 accounts, whereby the Company produced a loss of £(419,000), discounting the exceptional profit on the sale of its freehold, the Company was clearly trading at a loss even at budgeted turnover levels.

The main reason attributed to these losses is what was considered to be excessive employment costs inherited when the Company was acquired from JLP. As part of the JLP group, the employees benefited from favourable employment terms which in the main were far more favourable in terms of both pay and conditions than the industry averages.

In order to combat these excessive costs and improve efficiencies generally, JHB considered that a round of redundancies would be required as JHB was over staffed. However, due to the favourable employment terms, compounded by redundancy terms written into the conditions of employment when the business was acquired in 2007 JHB could not afford those redundancies.

The reduction in turnover at its main customer SM, continued throughout January and into February 2009 by which time it had been unable to make any inroads into its debt to JHB which stood at approximately £750,000. Notwithstanding ongoing profitability issues due to the falling orders from SM, this was now also having a detrimental effect on JHB's cash flow.

It became apparent to management that even if, as they anticipated, turnover returned to budgeted levels, the lost turnover and cash flow deficit arising from SM's problems could put the future of JHB at risk without further funding.

JHB therefore approached a number of alternative lenders to find a solution to the problem, such funding planned to be either supplementary to the £1.5 million already advanced, or a completely new funding arrangement to replace it.

Given JHB's predicted turnover levels and asset base, lenders initially seemed keen to assist but it seemed each one, upon further analysis, was deterred by the recent downturn in performance and reliance on an associated company which itself was encountering difficulties. Whilst still hopeful of securing further funding JHB decided, notwithstanding the cost, to implement a round of redundancies in an effort to stem further losses albeit JHB had not at that stage planned how those redundancies would be funded. JHB therefore issued a formal redundancy consultation notice on 20 March 2009.

However over the following days each of the potential lenders declined to further their negotiations for the support JHB now desperately needed. Therefore with no further funding available and turnover for March not showing any signs of improvements the management sought professional advice on its position resulting in the appointment of D F Wilson and J N R Pitts of Begbies Traynor as Joint Administrators on 1 April 2009.

5. THE ADMINISTRATION PERIOD

The Joint Administrators attended the premises on 1 April 2009 taking immediate control of JHB's affairs. The strategy of the Administrators was to sell the business as a going concern in the hope of achieving a better result for JHB's creditors as a whole than would be likely if it were to be wound up (without first being in Administration).

To facilitate a sale as a going concern the Administrators had to be able to trade the business. An initial overview of the business which involved discussions with management and the analysis of financial information provided by JHB, showed that JHB had a credit balance at the bank which would provide initial cash flow. However, in order to continue to trade, overheads needed to be reduced to ensure losses did not erode JHB's assets during Administration.

Staffing levels were reviewed and based upon the number of orders in JHB's books a decision was made to stop the night shift and to also make staffing reductions in other areas in an attempt to reduce overheads and allow trading to continue. The Administrators made 55 people redundant on 3 April 2009. The retained staff agreed to change their shift patterns to allow the business to trade forward.

Discussions were also held with the main suppliers to ensure that they would continue to supply the key products and the majority agreed to support the Administrators trading. Some have been able to offer continued credit terms which has proven valuable in assisting the administrators' trading activity.

Retention of title claims were received from some suppliers. The suppliers have been invited to attend JHB premises and identify their goods. The claims are currently being reviewed but initial calculations suggest these claims, if proven successful could total as much as £45,000.

The Administrators with the assistance of the accounts staff have continued to collect the book debts of JHB.

BTG McInnes and BTG Asset Consulting have assisted the Administrators in the preparation of a Sales Memorandum. This was mailed to thirty three interested parties and an advert for the sale of the business was placed in the Financial Times on 14 April 2009.

Although there was an encouraging level of initial interest following the advertising and issue of sales memorandums, the majority of those who had expressed interest declined to progress towards due diligence or negotiations for acquisition.

Given the lack of interest, the Joint Administrators sought advice from their asset advisors Messrs Eddisons as to the strategy for alternative disposal methods of JHB's assets following a wind down of the business.

However, on 14 May 2009 an offer for the going concern of the business was received. The terms of the offer demonstrated that it would be in the best interest of the JHB's creditors for the Administrators to accept, which has been communicated to the bidder. The negotiations are however in an early stage and the offer is subject to confirmation of funding and it would not therefore be appropriate for any further details of the offer to be disclosed at this juncture.

In the meantime whilst we have no reason to suspect that the offer will not progress towards completion we have taken the prudent step of allowing Eddisons to continue with their marketing of the JHB's assets on a break up basis in the event that the proposed sale does, for some reason, fall through.

Receipts and Payments

I enclose for your attention at Appendix 1 our current income and expenditure account with details of all transactions within the administration to date. You will note that sales generated from the continuation of trading total £566,110. Total book debt collections to date total £510,702. These have been collected on an ongoing basis since appointment.

The cash at bank figure of £200,511 is reflective of the credit balance held with JHB's bank upon the date of appointment. The tax refund relates to the historic losses suffered when JHB formed part of the John Lewis Group.

All expenditure to date relates to the payments required to facilitate the continuation of trading of JHB whilst in administration. These costs total £407,936. You will note the majority of this relates to the direct labour costs and purchases made during the trading period.

6. JOINT ADMINISTRATORS' PROPOSALS

Purpose of the Administration

We are required to set out our proposals for achieving the purpose of the administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at section 3 of this report above.

it is not reasonably practicable to achieve the objective specified in subparagraph 3(1)(a), and consequently the most appropriate objective to pursue in this case is that specified in subparagraph 3(1)(b), namely achieving a better result for JHB's creditors as a whole than would be likely if JHB were wound up (without first being in administration).

It is proposed that:

- (i) The Joint Administrators continue to manage the affairs and property of JHB in such a manner as they consider expedient with a view to achieving the purposes for which JHB was placed into administration;
- (ii) If the Joint Administrators consider it appropriate, they apply to Court under the provisions of Paragraph 76(2)(A) of Schedule B1 to the Insolvency Act 1986 for an order that their term of office be extended;
- (iii) The Joint Administrators be authorised to draw remuneration in accordance with the detailed analysis provided in accordance with statement of insolvency practice 9 appended to this report.
- (iv) The Joint Administrators future costs be drawn on a time costs basis in accordance with the hourly charge out rates appended to this report.
- (v) The Administrators be authorised to apply provisions at Paragraph 83 of Schedule B1 to the Insolvency Act 1986 enabling JHB to move from Administration to creditor's voluntary liquidation in

the event of there being sufficient funds to distribute to unsecured creditors. It is proposed that the Administrators be appointed as joint liquidators. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made before the proposals are approved.

- (vi) The Administrators be authorised to apply provisions at Paragraph 84 of Schedule B1 to the Insolvency Act 1986 enabling JHB to move from Administration to Dissolution.
- (vii) The Joint Administrators be empowered by creditors to do all such things and generally exercise their powers as they in their discretion consider desirable or expedient in order to achieve the purposes of the Administration.
- (viii) In accordance to paragraph 98 of Schedule B1 of the Insolvency Act 1986 the Joint Administrators be discharged from liability upon filing of the notice of conclusion of the Administration pursuant to either paragraphs 83 or 84 of Schedule B1 of the Insolvency Act 1986.

We consider that the objective of the Administration has already largely been achieved due to the continued trading of JHB. We consider that being able to continue to trade in the context of an Administration as an alternative to an immediate cessation of trade and liquidation of JHB has significantly enhanced the prospects for the secured creditor.

In order that the purpose of the administration may be fully achieved, we propose to remain in office as administrators in order to conclude the realisation of JHB's property. The principal matters to deal with in this respect are: ~

- Potential going concern sale of JHB's business and assets;
- Collection of Book Debts;

Following these events we propose to finalise distributions to the secured creditor.

Exit from Administration

The director's statement of affairs appended to this report demonstrates that the realisable value of JHB's assets on a break up basis will not generate sufficient funds to enable the full repayment of JHB's secured lender and consequently no distribution to unsecured creditors other than by virtue of the prescribed part, an explanation of which is detailed below.

Although the current offer for JHB's assets will improve the overall outcome for JHB's creditors as a whole it is unlikely that this will be sufficient to create a surplus over and above secured liabilities to enable a general distribution to unsecured creditors.

In the circumstances it is likely that as soon as we are satisfied that we have fully discharged our duties as Administrators and that the purpose of the Administration has been fully achieved, we will implement the provisions of Paragraph 84 of Schedule B1 to the Insolvency Act 1986 whereby on the registration of a notice sent to the Registrar of Companies, our appointment as Administrators will cease to have effect and JHB will automatically be dissolved.

Section 176A Fund for Unsecured Creditors

Section 176A of the Act provides that, where JHB has created a floating charge after 15 September 2003, the administrator must make a *prescribed part* of JHB's *net property* available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims. *Net property* means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realisation). The *prescribed part* is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of *net property*;
- ☐ 20% of *net property* thereafter;

- ☐ Up to a maximum amount to be made available of £600,000

An administrator will not be required to set aside the *prescribed part* if:

- ☐ the *net property* is less than £10,000 and he thinks that the cost of distributing the *prescribed part* would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ he applies to the court for an order on the grounds that the cost of distributing the *prescribed part* would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

Rule 2.33 of the Rules requires that our proposals for achieving the purpose of the Administration shall include, to the best of our knowledge and belief, an estimate of the value of the *prescribed part* and an estimate of the value of JHB's *net property*.

Administrators' Remuneration

The Joint Administrators propose to be remunerated on the basis of their hourly costs at scale rates calculated on the time properly spent in the course of the administration and that they may draw their remuneration on account as and when funds permit. The Joint Administrators also seek approval to re-charge expenses in line with their firm's policy.

Remuneration drawn will be notified to any creditors' committee appointed under paragraph 57 of Schedule B1 to the Act. In the absence of a creditors' committee, details of time incurred and disbursements drawn will be reported to creditors in accordance with *Statement of Insolvency Practice 9* issued by the Joint Insolvency Committee on behalf of the administrators' licensing bodies.

Total time spent to date on this assignment amounts to 458.70 hours at an average composite rate of £229.93 per hour resulting in total time costs to date of £106,410.

To assist creditors in determining this matter, the following further information as regards time costs and expenses is set out at Appendix 3:

- ☐ Begbies Traynor policy for re-charging expenses
- ☐ Begbies Traynor charge-out rates

In addition to the information provided at Appendix [3], a copy of the creditors' guide to Administrators' fees is available on request. Alternatively, the guide can be downloaded from http://www.begbies-traynor.com/uploads/documents/jul_08/bt_1215095179_ADM_9503.doc

7. STATEMENT OF AFFAIRS

The directors of JHB were given notice immediately upon appointment of the requirement for them to make a statement of JHB's affairs, to the Joint Administrators as at the date of appointment.

We can confirm that the directors have provided us with a written instruction to complete the Statement of Affairs on their behalf.

The latest draft appended hereto, is therefore subject to approval by the directors, is unlikely to be materially different from the final version to be filed.

8. CONCLUSION

The Joint Administrators presently consider that JHB has insufficient property to enable a distribution to be made to unsecured creditors (other than by virtue of section 176A(2)(a)).

In these circumstances the obligation to summon an initial meeting of JHB's creditors to consider the Joint Administrators' proposals is disapplied by paragraph 52(1). The Joint Administrators are therefore not empowered to summon such a meeting unless creditors, whose debts amount to at least 10% of the total debts of JHB, requisition such a meeting. Any such requisition must be in the prescribed manner in accordance with Rule 2.37 and be made within 12 days of the date on which the administrators' statement of proposals is sent out. The expenses of summoning and holding a meeting at the request of a creditor shall be paid by that person, who shall deposit with the administrators security for their payment. If no such meeting is held, then by Rule 2.33(5), the Joint Administrators' proposals are deemed to have been approved by the creditors.

Subject to the approval of our proposals I will report on progress again approximately six months after the commencement of the administration, or at the conclusion of the administration, whichever is the sooner.



J N R Pitts
Joint Administrator

Date: 18 May 2009

J H Birtwistle & Company Limited
(In Administration)

Income and Expenditure Account
01 April 2009 to 20 May 2009

INCOME	Total (£)
Sales	566,110.84
Book Debts	510,702.37
Tax Refund	92,252.10
Cash at Bank	200,511.66
	<hr/>
	1,369,576.97
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EXPENDITURE	
Purchases (1)	244,557.81
Sub Contractors	4,960.60
Direct Labour	157,047.50
Consumable Stores	387.19
Rents	20,000.00
Rates	12,076.78
Heat & Light	6,106.51
Telephone	651.67
Carriage	8,301.86
Insurance	10,077.14
Professional Fees	2,643.00
Bank Charges	683.34
Lease/HP Payments	420.73
Hire of Equipment	2,015.81
Repairs & Maintenance	2,593.40
Sundry Expenses	79.17
Vehicle Running Costs	4,827.76
Stationery	85.56
Postages	118.59
ITmaintenance/Internet	1,899.98
Specific Bond	1,440.00
Statutory Advertising	162.54
Reservation of Title Settlements	15,866.45
Banks/Institutions	1,024.99
	<hr/>
	498,028.38
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Balance	871,548.59
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MADE UP AS FOLLOWS	
Trade Debtors	647,061.77
Vat Receivable	21,543.49
Bank 2 Current	254,764.88
Bank 2 Deposit	173,262.20
Trade Creditors	(143,897.75)
Vat Payable	(81,291.08)
Petty Cash	105.08
	<hr/>
	871,548.59
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Insolvency Act 1986

J H Birtwistle & Company Limited
Estimated Statement Of Affairs as at 1 April 2009

	Book Value £	Estimated to Realise £
ASSETS		
Plant & Machinery	1,677,000.00	715,000.00
Stock	283,000.00	56,600.00
Book Debts	1,681,684.00	675,000.00
Tax Refund	92,252.00	92,252.00
Cash at Bank	200,511.00	200,511.00
		<u>1,739,363.00</u>
LIABILITIES		
PREFERENTIAL CREDITORS:-		
RPO Arrears & Holiday Pay		14,780.00
Employee Arrears/Hol Pay		42,000.00
Pension Schemes		15,000.00
		<u>71,780.00</u>
		1,667,583.00
Estimated prescribed part of net property where applicable (to carry forward)		<u>336,516.60</u>
		1,331,066.40
DEBTS SECURED BY FLOATING CHARGE		
Floating Charge Creditor	1,603,000.00	
		<u>1,603,000.00</u>
		<u>(271,933.60)</u>
Estimated prescribed part of net property where applicable (brought down)		<u>336,516.60</u>
		336,516.60
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors	1,124,813.00	
Employees	46,059.00	
Redundancy Payments Office	681,430.00	
		<u>1,852,302.00</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		<u>(1,515,785.40)</u>
Shortfall to floating charge holders (brought down)		<u>271,933.60</u>
		<u>(1,787,719.00)</u>
Issued and called up capital Ordinary Shareholders	875,052.00	
		<u>875,052.00</u>
TOTAL SURPLUS/(DEFICIENCY)		<u>(2,662,771.00)</u>

Begbies Traynor
J H Birtwistle & Company Limited
B - Company Creditors

Key	Name	Address	£
CA04	Applied Sweepers Ltd	, Falkirk, Scotland, FK2 7 XE	256.65
CA05	Airtec Ltd	, Hindley Green, Wigan, WN2 4 EZ	2,515.29
CA0N	Albion Chemicals Group	, Trafford Park, Manchester, M17 1QB	415.43
CA0V	Ashland Uk Ltd	, Alfreton Trading Estate, Somercotes, Derbyshire, DE55 4LR	1,375.40
CA0Y	Arval PHH	, Windmill Hill, Swindon, SN5 6 PE	2.30
CA17	A Martin Bunzl Ltd	, Bromley, Kent	9,203.29
CA1A	Atlantic Industrials	, Higher Walton, Preston, PR5 4DZ	71.21
CA1B	Airtime Cad Capture Ltd	, Challenge Way, Blackburn, BB1 5RR	1.00
CA1G	American & Efird (GB) Ltd.	, Chapelfield, Radcliffe, Manchester, M26 1JF	67.68
CA1H	Assoc Textiles	, B-8930, Rekkem, Belgium	9,850.02
CA1I	Amann Oxley Threads		171.63
CA1J	Allertex Ltd		2,447.94
CA1K	Accrington Grinding Co Ltd	5 Simmonds Way, Lomeshaye Industrial Estate, Nelson, Lancashire, BB9 5SS	660.22
CB05	Birko AS	Victoria Mill, Mount Street Accrington, Lancashire, BB5 0PJ	18,653.84
CB06	Blackburn Yarn Dyers Ltd	, Mensucat Ve Sanayi As, Po Box 41	686.84
CB0M	Brown's Engineers Ltd	, Haslingden Road, Blackburn, Lancashire, BB2 3 HN	280.60
CB0R	Border Technologies Ltd	, Nelson, BB9 8 AG	618.38
CB11	Benninger AG	, Cleckheaton, BD19 6HY	3,348.00
CB18	Bingley Textile Supplies	, Bingley, West Yorkshire, BD16 4JH	904.87
CB1A	Bulmer And Lumb Group	, Bradford, West Yorkshire, BD6 2NE	3,677.65
CB1B	Bank of Scotland	6th Floor, Charterhall House, Charterhall Drive, Chester, CH88 3AN	278.00
CC0L	City Electrical Factors Ltd	, 3a Audax Close, Clifton Moor, York, YO30 4RA	872.71
CC0W	Conitex Sonoco Uk Ltd	, Blackdyke Mills Business Park, Brighouse Road, Queensbury Bradford West Yorkshire, BD13 1QA	1,213.12
CC0Y	Cbi Transportation Uk Limited		4,591.46
CC15	Carrylift Materials Handling Ltd	, Carrington Lane, Sale, Cheshire, M33 5 NL	73.88
CC18	Camwatch Ltd	, Unit 3 Peel Road, West Pimbo Industrial Estate, Skelmersdale Lancashire, WN8 9 PT	431.25
CC19	Cofinco	, 128 Maltravers Road, Sheffield, S2 5A Z	12,885.19
CC1A	Clemson Electrical Services (NW) Ltd	, 8 - 50010, Capalle	11,299.13
CC1B	Connect Financial Management Ltd	, Wellhead Road, Newchurch In Pendle, Burnley, BB12 9LP	1,581.25
CC1F	Century Dyeing Company	, Elland, West Yorkshire, HX5 9HQ	1,531.53
CC1G	Commercial & Business Supplies	, Sandham Street, Off Steeley Lane, Chorley, PR6 0RA	75.24

Begbies Traynor
J H Birtwistle & Company Limited
B - Company Creditors

Key	Name	Address	£
CC1H	Consolidated Lazer Line Ltd	, Cranes Farm Road, Basildon, Essex, SS14 3JJ	2,649.15
CC1P	Countrywide & Global	, Magnolls Farm, Haslingden Old Road, Oswaldtwistle, Lancashire, BB5 3RF	35.86
CC1R	CWC Textil AG	, Zurich	6.10
CC1S	Chapman Fraser & Co Ltd	, 10 Pinfold Road, Thurmaston, Leicester, L34 8BF	5,270.40
CC1T	Carrymacarry Net Works Ltd	, Greencastle, Co Donegal, Ireland	4,490.36
CD0E	Dennon Office Supplies	, Haslingden, Rossendale, BB4 5 PE	378.34
CD0F	Dc Filter Supplies Ltd	, Haslingden Old Road, Oswaldtwistle, Accrington, BB5 3 RP	3,810.09
CD0J	Damtrad Ltd		88.78
CD0K	D H J Weisters Ltd		74.75
CE04	Edwin P Whalley	, Beech Avenue, Anderton, Nr Chorley, PR6 9 PQ	1,319.16
CE06	Edelweiss SRL	, Biella	17,433.33
CE07	East Lancs Warehousing Co Ltd	, Darwen, Lancashire, BB3 0 RP	126.50
CE0L	Edf Energy 1 Ltd	, P O Box 3956, Plymouth, PL3 5 XQ	36,398.57
CE0N	Ernest Griffith & Sons Ltd	, Trafford Park, Manchester, M17 1 PQ	15,865.25
CE0Q	Evts Ltd	, Aldon Rd, Poulton Industrial Estate, Blackpool, FY6 8JL	251.17
CE0U	Enka International GmbH & Co Kg	, Kasinostrabe 19-21, Germany	1.00
CE0W	Enka GmbH & Co Kg	, Kasinostrabe 19-21, Germany	36,061.12
CE0X	Esstex	, Unit 65, Mantra House, South Street, Keighley, West Yorkshire, BD21 1SX	1,436.18
CF09	Fagan & Whalley Ltd	, Shuttleworth Mead, Padiham, Burnley Lancashire	159.16
CF0G	Fielden Factors Limited	, Waterfoot, Rossendale, Lancashire, BB4 7 LR	96.92
CF0J	F I R		1.00
CF0L	Federal Express Europe Inc	, Coventry, CV1 4QD	70.58
CF0M	Fastway Couriers	, South Ribble Enterprise Park, Grove Road, Walton le dale preston, PR5 4AJ	1.00
CF0N	Faire Bros & Co Ltd	, Thurmaston, Leicester, LE4 8EL	1,480.63
CF0Q	FTL Seals Technology		1.00
CF0R	Fabrics & Yarns Ltd	, Hurdsfield Industrial Estate, Macclesfield, Cheshire, SK10 2LP	1,452.54
CF0S	Filatura Marchi Giovanni Spa	, 4/A - 13900, Biella, Italy	25,020.56
CF0U	Fts Dyers Ltd	, Langholm, Dumfriesshire, DG13 0DG	365.19
CG08	Groz-Beckert U K Limited	, Gloucester Crescent, South Wigston, Leicester, LE18 4YL	278.88
CG09	Giorgini Silvano SRL	, Prato	196.82
CG0B	Govi Sa	, Baarle-Drongen, Landegemstraat 8, 9031 belgium	28,637.84
CG0D	Gefco Uk Ltd	, Stone Cross Park, Yew Tree Way, Golborne, WA3 3GY	987.64

Begbies Traynor
J H Birtwistle & Company Limited
B - Company Creditors

Key	Name	Address	£
CH03	Holrose Ltd	, Alexandra Trading Estate, Ashton Road, Golborne Warrington	722.20
CH0D	Holden Vale Conference Centre	, Helmshore, Rossendale, Lancashire	74.45
CH0G	Holden Distribution Ltd	, Watery Lane, Darwen, Lancashire, BB3 2 EB	460.92
CH0K	Howorths Textiles Ltd	, Hallam Road, Nelson, Lancashire, BB9 8 DN	30,024.82
CH0L	H.M. Revenue & Customs PAYE	Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	143,920.00
CH0M	H.M. Revenue & Customs VAT	Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	200,028.00
CIOB	Intercot S A	, Sant Feliu Sassera, Barcelona	1.00
CIOC	Iicat S P A	, 59014 Lolo, Prato	1.00
CIOD	Independent Telephone Services	, Tortine Street, Blackburn, BB1 7 ED	1,518.00
CIOF	Itema (Switzerland) Ltd.	, CH-4528, Zuchwil SO	820.52
CJ01	Jungheinrich Uk Ltd	, Sherbourne House, Sherbourne Drive, Miln Keyenes, MK7 8 HX	64.47
CJ04	Jungheinrich Finance Ltd	, Rushmoor Court, Croxley Business Park, Hatters Lane Watford	442.89
CJ0A	J Schofield Textile Machinery	, Rochdale Road, Edenfield, Lancashire, BLO O RE	194.90
CJ0G	John L Brierley Ltd	, Quay Street, Huddersfield, HD1 6 QT	2,899.78
CJ0K	John Fenwick (Rossendale) Ltd	, Commerce Street, Haslingden, Rossendale Lancashire	296.18
CJ0M	James Hargreaves Ltd	, 2 Healey Wood Road, Burnley, Lancashire	29.97
CJ0P	James Hart (Chorley) Ltd	, Chorley, Lancashire, PR7 2NL	474.38
CJ0S	J Fletcher (Engineers) Ltd	, Lansdowne Road, Monton, Eccles, Manchester, M30 9PJ	164.91
CJ0U	James Lever & Sons Ltd	, Morris Green Business Park, Prescott St, Bolton, BL3 3PE	332.35
CK03	K Steels Ltd	, Holme Lane, Rawtenstall, Rossendale Lancashire, BB4 6 JF	71.20
CK04	K Supplies Ltd	, Vo-Tec House, Hambridge Lane, Newbury, Berkshire, RG14 5TN	253.83
CK0E	K Supplies Ltd	, Cloughfold, Rawtenstall, Lancashire, BB4 7PP	1,089.24
CK0F	Karl Mayer textilmashinen AG	, Uzwil	16,763.67
CK0G	S Kirkham Electrical	, 20 Thorndene Way, Westgate Hill, Bradford, BD4 0SW	1,400.00
CL07	Lund Precision Reeds Ltd	, Highgate Road, Queensbury, West Yorkshire, BD13 1DS	560.58
CL09	Luwa (Uk) Ltd	, Oldham, Lancashire, OL4 1 HN	381.01
CL0B	Langholm Dyeing Co	, Langholm, Dumfriesshire, DG13 0DG	486.92
CL0E	Liberty Leisurewear Ltd	, Kingstown, Carlisle, CA3 0 EU	52.15
CL0H	Led Electrical Ltd	, Carr Ind Estate, Haslingden, Rossendale Lancs, BB5 4 LA	16.77
CL0M	Lorella (Marketing) Ltd	, Coventry Road, Narborough, Leicestershire, LE9 5GF	258.76
CL0N	Lemantech Import Export Co Ltd	, 1 Tilson Road, Roundthorn Industrial Estate, Wythenshawe manchester, M23 9GF	785.76
CLOQ	Lanes Group Plc		97.75

Begbies Traynor
J H Birtwistle & Company Limited
B - Company Creditors

Key	Name	Address	£
CL0R	Lyndhurst Precision Engineering Ltd	Weir Mill, Crosse Hall Street, Chorley, PR6 0UH	1,032.70
CM09	Mitchell Interflex	, Foulridge, Colne, BB8 7 LT	8,579.57
CM0D	Maytex	, D-52532, Gangelt	29,269.29
CM0I	Moonweave Limited	, 2 Stoneygate Road, Newmilns, Ayrshire, KA16 9BN	2,851.40
CM0P	M & N Textiles Ltd	, 221 Palatine Road, Didsbury, MANCHESTER, M20 2 EE	2,059.37
CM0Q	M K Transport Services Ltd	, Blackburn, BB1 3 BW	402.50
CM0S	Marton Mills Company Ltd		6,132.75
CM0Y	M Duerden Ltd	, Healey Wood Road, Burnley, BB11 2NG	589.38
CM13	Miroglio Spa	, 2nd Floor, Remo House, London, W1B 3AU	32,188.71
CN02	Northern Industrial Electronic	, Glenfield Park Site One, Philips Road, Blackburn, BB1 5 PF	1,236.06
CN0B	Niggeler & Kupfer Spa	, 8702 Kollikon	1.00
CN0E	Naylor Jennings Ltd	, Yeadon, Leeds, LS19 7XP	1,485.51
CN0L	Newsquest (Lancashire) Ltd	, High Street, Blackburn, BB1 1HT	87.65
CN0M	Nightfreight (Gb) Ltd	, Lowerhouse, Burnley, BB12 6NZ	1,789.56
CN0O	Northern Box & Packing Co Ltd	, Blackburn Road, Darwen, Lancashire, BB3 0AJ	896.60
CN0P	Nuts Engineering Supplies Ltd	, Tinklers Lane, Chorley, Lancashire, PR6 0QG	50.37
CN0U	NV Jos Vanneste SA	, B-8530 Harelbeke	1,099.09
CN0W	Novaceta	, Old Church Road, Coventry, CV6 7PA	186.54
CN0X	Nylstar Ltd	, 14 Honeycomb Close, Narborough, Leicester, LE19 3PS	9,719.72
CO08	Ou Parnu Linavabrik	, Parnu	112,934.31
CO09	Ockmed	, Off Blackwood Road, Stacksteads, BACUP LACASHIRE, OL13 0PS	1,627.50
CO0D	Ogilvie Fleet Ltd	, Pirnhall Business Park, Stirling, FK7 8ES	287.36
CP02	Pitney Bowes Ltd	, Elizabeth Way, Harlow, Essex, CM19 5LS	1,336.28
CP0H	Phs Group Plc	, Caerphilly, CF83 1XH	1.00
CP0L	Polyclear (Southampton) Ltd	, SOUTHAMPTON, HAMPSHIRE, SO15 0LG	707.25
CP0T	Palletmaster Ltd	, Dyehouse Lane, Brighouse, West Yorkshire, HD6 1LL	746.93
CP0U	Peach Transport Ltd	, Magnolis Farm, Haslingden Old Road, Oswaldtwistle, Lancashire, BB5 3RF	81.09
CP0V	Paramount Yarn Dyers Ltd	, Woodhead Road, Holmfirth, HD9 2PX	1,557.81
CP0X	Pulse 24 Ltd		692.58
CR0A	R S Components Ltd	, Corby, Northants, NN17 1UB	333.45
CR0H	Robertshaw & Myers	, Acorn Business Park, Keighley Road, Skipton North Yorkshire, BD23 2UE	443.75
CR0J	Rishton Waste Paper Ltd	, Hermitage Street, Rishton, BB1 4NF	69.00

Begbies Traynor
J H Birtwistle & Company Limited
B - Company Creditors

Key	Name	Address	£
CR0N	Rentokil Initial	, Po Box 4975, Dudley, DY1 4 TA	130.18
CS07	Staubli (UK) Ltd	, Hortonwood, Telford, Shropshire, TF1 7 ET	1,455.75
CS08	System Hygiene Ltd	, Altham, Accrington, Lancashire, BB5 5 YT	1.00
CS0P	Salmon Tissus	, Saily Sur La Lys	118,747.88
CS0R	Stevron Industrial Supplies	, Off Fox Street, Liverpool, L3 3B M	75.80
CS0X	Stead Mcalpin & Company Limited	, Carlisle, Cumbria, CA2 6 BT	8,427.58
CS19	Shaw Moor Yarns Ltd	, Knowl Street, Stalybridge, Cheshire, SK15 3AW	324.30
CS1B	Senator Freight Forwarding Ltd	, Building 303, Manchester Intl Airport, Manchester, M90 5UJ	135.19
CS1O	Symaco NV	, Rekem, Belgium, B8530	1,951.40
CS1R	Somac Threads	, River Lane, Saltney, Nr chester, CH4 8RF	856.98
CS1U	Sioen Fibres Spinning	, Du Blanc Ballot, Boulevard Metropole 9, B-7700 mouscron belgium	1.00
CS1V	Stott & Sons Ltd		92.00
CT0V	Total Lift Care Limited		493.06
CT0Y	Thomas Wright/Thorite Group Ltd	, 45-51 Shakespeare Street, Southport, Merseyside, PR8 5 AB	162.26
CT16	The Graylaw Freight Group	, Laisterdyke, Bradford, West Yorkshire, BD4 8 BZ	63.25
CT17	The Portland Dyeing Co Ltd	, Gillibrands Road, Skelmersdale, Lancashire, WN8 9TT	87.40
CT1A	Torcitura Lei Tsu S R L	, Macclesfield Road, Leek, Staffordshire, ST13 8YB	60,578.63
CT1B	The Atkinson Dyeing Co Ltd	, 20040 - Bellusco, Milan, Italy	2,239.63
CT1D	TWD FIBRES GmbH	, Dalton Lane, Keighley, West yorkshire, BD21 4JH	11,584.37
CU02	United Utilities Water Ltd	, Postfach 1909, 94459, GERMANY, Deggendorf	3,500.00
CU06	Utexbel Sa (Pjt Division)	, Warrington, WA55 1WA	7,486.72
CV00	Valley Building Supplies	, 9600 Ronse/Renaix	175.14
CV07	Veolia Es (UK) Ltd	, Station Road, Haslingden, Rossendale Lancashire	1,475.90
CV08	Veolia Environmental Services	, Brownhills, Walsall, WEST MIDLANDS, WS8 7 BB	71.03
CV0A	Vale Weavers Ltd	, Warley, Brentwood, Essex, CM13 3BE	375.44
CW00	W T Johnson & Sons	, Blacko, Nelson, Lancashire, BB9 6LS	835.69
CW01	W Armstrong (Longtown) Ltd	, Moldgreen, Huddersfield, HD5 9 BB	2,208.00
CW0K	Walker Tex Ltd	, Longtown, Carlisle, CA6 5 LY	465.69
CW0L	Wagenfelder Spinnereien	, Healey Wood Industrial Estate, Burnley, Lancashire, BB11 2HW	806.87
CW0O	Weldbank Garage	, D-49414 Wagenfeld	354.04
		, Chorley, Lancashire	

Begbies Traynor
J H Birtwistle & Company Limited
B - Company Creditors

Key	Name	Address	£
157 Entries Totalling			1,124,813.51

Signature _____

82J3935 J H Birtwistle

	Partner	Director	Senior Manager	Manager	Senior Case Administrator	Case Administrator	Support And Cashiering	Total Hours	Total Cost	Avg Rate
Pre-appointment activity	11.50	0.00	13.50	0.00	3.00	21.35	1.00	50.35	£11,363.00	£225.68
Planning & Control	14.00	0.00	7.00	0.50	0.00	0.00	0.00	21.50	£7,090.00	£329.77
Admin & Accounting	2.00	0.00	14.50	3.10	8.75	6.75	27.85	62.95	£10,815.00	£171.80
Reporting, S of A, Stat Returns	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Fixed Charge Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Floating Charge Assets	16.00	0.00	0.50	15.30	0.00	0.00	9.50	41.30	£10,522.50	£254.78
Trading	18.00	0.00	116.50	4.90	0.00	2.00	4.00	145.40	£42,552.50	£292.66
Debt Collection	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Prefs, Un-secured & Members	0.00	0.00	14.00	20.50	0.00	0.00	34.45	68.95	£12,700.00	£184.19
Employees	0.00	0.00	10.50	0.00	0.00	51.75	3.00	65.25	£10,125.00	£155.17
Meetings	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	£300.00	£100.00
Reading papers/Prelim review	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Correspondence/telephone	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Meetings/conferences	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Investigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Analysis & reports	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Court prep & attendance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Travel	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Admin	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	£0.00	£0.00
Total Hours	61.50	0.00	176.50	44.30	11.75	81.85	82.80	458.70		
Total Cost	£21,525.00	£0.00	£52,067.50	£11,075.00	£1,880.00	£10,640.50	£8,280.00		£105,468.00	£229.93

Employee / Disbursements Costs

£942.08

Disbursement Fees Drawn

£0.00

Time Fees Drawn to Date

£0.00

Outstanding Costs

£106,410.08

BEGBIES TRAYNOR

POLICY FOR RE-CHARGING EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Standard professional practice¹ requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at.

DEFINITIONS

Required professional practice classifies expenses into two broad categories:-

- *Category 1 expenses (approval not required)* – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external supplier's invoice or published tariff of charges;
- *Category 2 expenses (approval required)* – all other items of expenditure:
 - Which cannot, or cannot easily, be directly related to a particular insolvency case because there is an element of shared or allocated cost; and/or
 - Where the cost of the expense incurred is an estimated, unitised cost with the estimate based on external costs or opportunity cost.

DISBURSEMENT CHARGES (Category 2 Disbursements)

1. Mileage is recovered at 40p per mile. The Category 2 element relates only to company cars.
2. Charges are made as follows:

Postage	Actual
Photocopying	15p per sheet
3. Internal Room Hire is charged at £150 per meeting.
4. Storage is provided by a connected storage company in which D F Wilson and J N R Pitts have an interest. Boxes are supplied at a cost of £4 each and boxes are stored at a cost of £12.00 per box per annum. Destruction charges are £5 per box.

¹ Statement of Insolvency Practice 9 (SIP 9) effective from 1 April 2007.

4. Asset Appraisal and Disposal services are provided by BTG Asset Consulting, a division of BTG Consulting LLP, which is part of Begbies Traynor Group plc. Asset Appraisal and Disposal costs are charged at £125 per hour and are reclaimed from asset realisations of the company.
5. Asset tracking or tracing/investigation services are provided by BTG Intelligence, which is part of Begbies Traynor Group plc. Costs are charged at a rate of £195 per hour. Surveillance services are charged at a rate of £75 per hour per individual, plus mileage.

Professional Advisors

In a number of cases, we have the need to employ outside professional advisors, which may include Solicitors, Valuers and Agents or in some cases, Specialist Tax Advisors. We set out below the name and type of the advisors used and the basis on which their fees are paid.

Name of Professional Advisor	Basis of Fee Arrangement
Eddisons Commercial	Time cost basis
Lupton Fawcett Solicitors	Time cost basis

Our choice of the above advisor is based on our knowledge of their experience and their ability to perform the type of work on which they have been instructed.

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions.

The rates applying to the Glendevon House, Leeds office as at the date of this report are as follows:

Grade of staff	Charge-out Rate (£ per hour)
Partner	350
Director	325
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Cashier/Secretarial	100
Junior Administrator	100

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).