

Rule 2 33

Form 2 17B

The Insolvency Act 1986

Statement of administrator's proposals

2.17B

Name of Company Town & Country Flooring (Norfolk) Limited	Company number 01865509
In the High Court of Justice, Birmingham District Registry, Chancery Division [full name of court]	Court case number 9363 of 2008

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

I / We, (a) W John Kelly of Begbies Traynor, 4th Floor, Newwater House, 11 Newhall Street Birmingham B3 3NY and John A Lowe of Begbies Traynor, Newwater House, 11 Newhall Street, Birmingham B3 3NY

* Delete as applicable

attach a copy of ~~*my-~~ our proposals in respect of the administration of the above company

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

(b) Insert date

(b) 17 September 2008

Signed

Joint / Administrator(s)

Dated

17/9/08.

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 searchers of the public record.

Begbies Traynor	
4th Floor, Newwater House, 11 Newhall Street Birmingham	
	Tel 0121 200 8150
Fax Number 0121 200 8160	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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20/09/2008

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COMPANIES HOUSE

SATURDAY

W John Kelly and John A Lowe appointed joint administrators on
24 July 2008

The affairs, business and property of the Company are being
managed by the joint administrators, who act as the Company's
agents

Town & Country Flooring (Norfolk) 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>
"the Company"	Town & Country Flooring (Norfolk) Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 of the Insolvency Act 1986 on 24 July 2008
"the joint administrators"	W John Kelly, Licensed Insolvency Practitioner of Begbies Traynor, Newwater House, 11 Newhall Street, Birmingham, B3 3NY and John A Lowe, Licensed Insolvency Practitioner of Begbies Traynor, the Crescent, King Street, Leicester, LE1 6RX
"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 24 July 2008 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 24 July 2008

2. STATUTORY INFORMATION

Date of Incorporation	22 November 1984
Company registered number	01865509
Registered office	C/O Begbies Traynor, Newwater House, 11 Newhall Street, Birmingham, B3 3NY
Trading addresses	Unit 8, Philip Ford Way, Silfield Road, Wymondham, Norfolk, NR18 9AQ
Principal business activities	Supplier & Fitter of Contract Floor
Trading names	Town and Country Flooring (Norfolk) Limited
Director	Robin Eglen
Company Secretary	Anthony J O'Brien
Auditors	KPMG LLP
Share capital	10,000
Shareholders	Town and Country Flooring Group Ltd

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Name(s) of joint administrator(s)	W John Kelly, Licensed Insolvency Practitioner of Newwater House, 11 Newhall Street, Birmingham, B3 3NY and John A Lowe, Licensed Insolvency Practitioner of Begbies Traynor, the Crescent, King Street, Leicester, LE1 6RX
Date of administrators' appointment	24 July 2008
Court	High Court of Justice - Birmingham, 9363 of 2008
Person(s) making appointment / application	The Directors
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

Town and Country Flooring (Norfolk) Limited ("TCFN") was incorporated in 1984 and traded as a small contract flooring provider, servicing the local market place in Norfolk

TCFN was a stand alone business albeit complementing Town and Country Flooring Limited ("TCFL") (registration number 01483952), which traded successfully from St Ives in Cambridgeshire. The general principle was that both companies would benefit from operating under a common "Town & Country" banner

TCFN grew steadily for many years whilst supplying and installing floor coverings, such as carpets and carpet tiles, decorative flooring, vinyl and wood floor coverings. It

serviced three key markets, establishing a strong position, within the public sector, main building contractors and new house builders

By late 1999 / early 2000 the business was performing well and had significantly increased in size, both in respect of turnover and the size of its workforce. The increase was such that the business required bigger trading premises and so relocated to the current trading address.

At a similar time to the relocation the Company entered into a joint venture ("JV") arrangement with Axiom Flooring Limited ("AF"). AF were a similarly sized contractor based in Bedford. The JV was called ATC Ventures Limited and its sole purpose was to service one specific contract and in doing so share the risk attached to this contract. The arrangement was successful for the two year fixed period of the contract but as soon as the contract expired the arrangement concluded and no further opportunities of this type were explored.

In February 2005, TCFN was sold to John Maidment ("JM"), Robin Eglen ("RE"), Brian Pestana ("BP") and Jean L Hicks ("JH"). They acquired TCFL at the same time. The acquisition was funded by Bank of Scotland ("BoS") and Croftdown Limited via term loan and other working capital facilities. Both finance providers took security, in the form of debentures with BoS having the priority charge.

Following the acquisition there was a continued drive to implement further growth strategies for both TCFL and TCFN, which included increasing the geographic coverage of the group with branches opening in Newcastle, Wolverhampton, Hampshire, Kent and London. In addition to a greater number of branch locations there was also a drive to increase the workforce and add to service provisions. In this regard, a cladding service line was added to TCFN, which entailed the supply and installation of hygienic wall cladding surfaces.

This continued growth strategy produced successful results, with turnover in TCFN reaching a high of £4.6m for the year ending 30 September 2005.

Unfortunately, whilst turnover was improving the directors were experiencing other problems in managing the expansion program. Overheads, which had increased across the group in order to facilitate the ongoing drive to increase volumes, were impacting on profitability and cash-flow constraints were becoming more frequent.

In addition to this the Group was also experiencing difficulties in the recruiting and retaining a strong financial director. More recently, within the last 6 to 8 months, both BP and JM left the business due to ill health and other personal reasons. These factors, together with a general deterioration in the market place, particularly in the construction sector (and more specifically with new house builders), meant that TCFN was faced a challenging period.

By July 2008, TCFN had arrears outstanding to HM Revenue & Customs and was experiencing significant creditor pressure. Further working capital was required urgently. The remaining director sought advice from solicitors and insolvency

practitioners and on the 22 July 2008 a Notice of Intention to Appoint an Administrator was filed in the Birmingham District Registry

Accordingly, W John Kelly and John A Lowe of Begbies Traynor were appointed Joint Administrators on 24 July 2008

5. THE ADMINISTRATION PERIOD

Receipts and Payments

Attached at Appendix 1 is our account of receipts and payments from the commencement of administration to date, incorporating our projected outcome for creditors

We immediately discussed our appointment with RE to assess contract debtors, specifically concerning the value in completing certain contracts during a short trading period. It quickly became apparent that relationships with certain key customers and suppliers had become strained and continuing to trade the business would be extremely difficult. Unfortunately, the largest and arguably most important customer of the group, had become increasingly nervous of the Company's financial position, and decided to source alternative suppliers. They were seemingly able to do this easily and did not have the appetite or desire to continue trading with the administrators. They advised the administrators that they were immediately recalling and collecting their consignment stock.

This had a significant impact on the likely success of any trading period and the loss of a principle customer contract made selling the business as a going concern, and therefore achieving a recovery for goodwill, even less likely. As a consequence it became apparent that the risks associated to trading the business were too great and we had to cease trading immediately and begin a controlled collect out of the sales ledger and disposal of assets.

We attended the trading address and met with the branch manager to advise of our appointment, confirm the administrator's strategy and take control of the assets. We then held meetings with all employees to advise of our appointment and confirm their immediate redundancy. We retained three employees to assist with general administrative functions and to ensure that a controlled handover of the sales ledger could be co-ordinated with our agents. The retained employees have now been made redundant.

All assets were immediately insured and agents instructed to attend the site. We also contacted known local competitors to gauge interest in acquiring the business and assets (albeit not from a trading position). Unfortunately, the level of interest was not particularly strong as the Company had ceased to trade and it became clear that any sale of this nature would not be possible.

Leasehold Property

The Company traded from leasehold premises, with rent paid until the end of July. We contacted the landlord to agree a further short period of occupation (i.e. to meet the rental charge for August) to allow time to fully explore opportunities to maximise the value in the remaining tangible assets (detailed below).

Plant & Tooling, Stocks, and Office Furniture/Equipment

Our agents attended the premises to inspect the assets and produced a detailed inventory. There were no tools that individually held any significant value.

The stock mainly comprised of carpet rolls, off cuts, floor tiles, adhesives and other floor fitting consumables. There was little stock physically remaining at the premises and we also received a large volume of claims for retention of title. In addition, certain stocks were stored on a consignment basis and were duly returned.

The concern over the low levels of unencumbered stock was that if it could not be sold in its entirety, then the costs incurred in clearing and disposing of items on a piecemeal basis could exceed net recoveries. After a short period of receiving offers (largely for specific items) we agreed to sell the tools, stocks and office furniture to Reform Flooring Limited for £3.2k. Our agents recommended acceptance of this offer for the reasons detailed above.

Debtors (Completed Contracts and Contracts in Progress)

At the date of appointment the sale ledger had a book value of £656k.

All of the debtors have received written notice of the appointment and a request for immediate payment. All available paperwork (i.e. invoices, job cards etc) has been retrieved and collated, which will assist with the collection process. To date we have collected £47.7k. We are aware of a number of disputes and setoff / counter claims on certain accounts. Our agents will continue to chase the debtors and further legal advice will be taken if necessary.

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.

For the reasons set out in our report, we presently consider that 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 the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).

We consider that this purpose has been achieved because the Company was under significant creditor pressure during the weeks leading up to the Administration and the protection of the Administration Order has meant that it was possible to conduct a controlled disposal of the Company's assets. This would not have been possible had the Company taken steps to place the Company into liquidation, as it is likely that creditors may have removed goods to protect their own position.

Working together with our agents, we will be able to maximise realisations for the unencumbered assets and the contract debtors.

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 the Company's property. The principal matters to deal with in this respect are:

- Collect the outstanding contract debtors on the sales ledger
- Conclude all statutory duties

Exit from Administration

Creditors' Voluntary Liquidation

We confirm that we are of the opinion that a distribution will be made to the unsecured creditors of the Company¹.

However as administrators we do not have a general power to make a distribution to unsecured creditors and may only do so if the court gives permission. It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate. Additionally there may be matters for enquiry concerning a company's affairs which are not within the scope of an administrator's powers and which can only be properly dealt with by a liquidator.

Consequently, 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 propose to implement the provisions of Paragraph 83 of Schedule B1 to the Act whereby on the registration of a notice sent to the Registrar of Companies, our appointment as administrators shall cease to have effect and the company will automatically be placed into creditors voluntary liquidation. Paragraph 83(7) provides:

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or

¹ Insolvency Act 1986, Sch B1, para 83(1)

(b) if no person is nominated under paragraph (a), the administrator

We confirm that as part of our proposals we seek nomination as liquidators in the subsequent winding up of the Company. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved. The appointment of a person nominated as liquidator takes effect by the creditor's approval, with or without modification, of the administrators' proposals.

Dissolution

Notwithstanding the above, although on present information we consider that the exit route from the administration by way of dissolution is unlikely to become necessary, we propose to generally reserve this as an alternative exit route as part of the proposals. In the event the Company has insufficient property to enable a distribution to be made to unsecured creditors and it is in the administrators' opinion an efficient and effective means of bringing the administration proceedings to an end, we may, 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 can implement the provisions of Paragraph 84 of Schedule B1 to the Act. Under these provisions, on the registration of a notice sent by us to the Registrar of Companies, our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the Company.

Extending the administration

Furthermore, it may transpire that it is not possible to finalise the administration as envisaged within one year of the date of our appointment. In particular, this situation will arise if we are not able to conclude the realisation of contract debtors (specifically the retention elements) falling due after the appointment anniversary. Yet Paragraph 76 of Schedule B1 to the Act provides that the appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, the administrator's term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding six months. It may therefore become necessary at some future time for us to seek creditor consent to extending the period of the administration for up to a further 6 months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved.

Section 176A Fund for Unsecured Creditors

Section 176A of the Act provides that, where the company has created a floating charge after 15 September 2003, the administrator must make a *prescribed part* of the company'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 the Company's *net property*. Pursuant to Rule 2.33(3), however we consider it in the best interests of the creditors not to disclose such estimates at this time on the grounds that the disclosure could seriously prejudice the commercial interests of the Company.

On present information we confirm that it is not our intention to make an application to court under section 176A(5). However we reserve our position generally in this regard should circumstances materially change.

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 71 45 hours at an average composite rate of £200 77 per hour resulting in total time costs to date of £14,345

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
- Narrative summary of time costs incurred and summary by staff grade and work activity

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

In the absence of an initial meeting of creditors (see section 8 Conclusion, below) and the establishment of a creditors' committee, the joint administrators' remuneration is fixed by the approval of the secured and preferential creditors in accordance with Rule 2 106 (5A)

7. STATEMENT OF AFFAIRS

The director of the Company has been requested to prepare a statement of affairs of the Company in accordance with paragraph 47(1) of schedule B1 of the Insolvency Act 1986. This has not yet been submitted and we have therefore prepared details of the Company's financial position from the information we have in our possession.

In the absence of a statement of affairs we are required, as joint administrators, to provide an estimate of the Company's assets and liabilities. This is attached at appendix 2, together with a list of unsecured creditors.

8. CONCLUSION

The joint administrators presently consider that the Company 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 the Company'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 the Company, 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.

In the absence of an initial creditors' meeting 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.



W John Kelly
Joint Administrator

Date 17 September 2008

JOINT ADMINISTRATORS' ACCOUNT OF RECEIPTS
AND PAYMENTS, INCORPORATING ESTIMATED
OUTCOME FOR CREDITORS

Period 24 July 2008 to 17 September 2008

Estimated to
realise per
Statement of
Affairs
£

	Receipts & Payments to date £	Anticipated Receipts & Payments £	Projected Outcome £
ASSETS SPECIFICALLY PLEDGED			
Not Applicable	-	-	
	-	-	
Realisation Expenses			
Not Applicable	-	-	-
	-	-	-
Net Realisations			
	-	-	-
Fixed Charge Holder - Bank of Scotland		(1 981 000)	(1 981 000)
		(1 981 000)	(1 981 000)
ASSETS NOT SPECIFICALLY PLEDGED			
Contract Debtors - Completed	47 774	Unknown	Unknown
Plant & Tools	1 000	Nil	1 000
Stock	1 750	Nil	1 750
Furniture & Office Equipment	500	Nil	500
Bank Interest	74	-	74
	51 098	Unknown	Unknown
Payments			
Administrator's Fees	-	(25 000)	(25 000)
Administrator's Disbursements	-	(2 000)	(2 000)
Retained Staff - Wages	(3 106)	-	(3 106)
Retained Staff - PAYE / NIC	-	(778)	(778)
Agent's Fees (Debtors)	-	(2 000)	(2 000)
Agents Disbursements (Debtors)	-	(2 000)	(2 000)
Agents Fees (Plant, Stock etc)	-	(1 000)	(1 000)
Agents - Disbursements (Plant Stock etc)	-	(1 000)	(1 000)
Legal Fees	-	(500)	(500)
Insurance	-	(2 000)	(2 000)
Rent	(1 721)	-	(1 721)
Utilities	(30)	-	(30)
Statutory Advertising	(129)	-	(129)
Mail redirection	(25)	-	(25)
ERA Costs	(21)	-	(21)
Bordereau (Statutory Bond)	-	(50)	(50)
Sundry Costs	(200)	(3 000)	(3 200)
	45 865	Unknown	Unknown
Available for preferential creditors			
Arrears of wages and holiday pay	-	(22 000)	(22 000)
	45 865	Unknown	Unknown
Net property			
Prescribed part of net property set aside for unsecured creditors			Unknown
Available for floating charge holder			
	45 865	Unknown	Unknown
Floating Charge Holder - Bank of Scotland		(1 981 000)	(1 981 000)
Floating Charge Holder - Croftdawn Ltd		(930 000)	(930 000)
	45 865	(2 911 000)	(2 911 000)
Notes			
Summary of balances held			
Fixed charge	Not Applicable		
Floating charge	45 865		
	45 865		
Held as			
Current Account	46 066		
VAT	(201)		
	45 865		
Summary of outcome for unsecured creditors			
Fixed charge			Unknown
Prescribed part of net property set aside for unsecured creditors			Unknown
Less costs associated with prescribed part			Unknown
Floating charge Creditors			Unknown
			-

STATEMENT OF ASSETS AND LIABILITIES,
TOGETHER WITH LIST OF UNSECURED
CREDITORS

TOWN AND COUNTRY FLOORING (NORFOLK) LIMITED (IN ADMINISTRATION)
ESTIMATED ASSETS AND LIABILITIES AS AT 24 JULY 2008

	Notes	BOOK VALUE	Notes	ESTIMATED TO REALISE £
ASSETS SPECIFICALLY PLEDGED				
Not Applicable				
TOTAL AVAILABLE TO FIXED CHARGE CREDITORS				
<u>Fixed Charge Creditors</u>				
Not Applicable				
SURPLUS / SHORTFALL IN REGARDS FIXED CHARGE CREDITORS				Unknown
ASSETS NOT SPECIFICALLY PLEDGED				
Debtors	i	925,424	ii	Unknown
Stock (Raw Material)	i	19,253		1,000
Stock (Work In Progress)	i	18,591		Nil
Plant/Machinery/Tools	i	8,863		1,750
Office Furniture & Equipment	i	6,169		500
				Unknown
TOTAL AVAILABLE FOR PREFERENTIAL CREDITORS				Unknown
<u>Preferential Creditors</u>				
Employees		Arrears of Wages / Holiday Pay	iv	(16,532)
NET PROPERTY				Unknown
TOTAL AVAILABLE TO FLOATING CHARGE CREDITORS				Unknown
<u>Floating Charge Creditors</u>				
Bank of Scotland	iii	(1,600,000)		
Bank of Scotland	iii	(381,000)		
Croftdown Limited	iii	(930,000)		
PRESCRIBED PART AVAILABLE FOR NON PREFERENTIAL CREDITORS				Unknown
<u>Non - Preferential Creditors</u>				
Trade & Expense Creditors	v	(262,858)		
Employees		Arrears of Wages/Holiday Pay		(119,808)
HM Revenue & Customs	vi	PAYE/NIC		(79,652)
HM Revenue & Customs	vi	VAT		(63,913)
				(526,231)
DEFICIENCY AS REGARDS NON PREFERENTIAL CREDITORS				Unknown
Share Capital			vii	(10,000)
DEFICIENCY AS REGARDS SHAREHOLDERS				Unknown

NOTES

- i) The book values are taken from the draft financial statements for the year ended 30 September 2007
- ii) The estimated realisable values are shown as unknown to avoid prejudicing the position in regard to future collections
- iii) The Bank of Scotland holds a fixed and floating charge debenture registered on 19 February 2005. Croftdown holds a fixed and floating charge debenture registered 24 February 2005
- iv) The estimated employee claims are based on the redundancies made at the date of appointment
- v) The non preferential creditor claims are subject to agreement and will not be prejudiced by omission from this statement. In addition, the trade and expense creditors include inter company balances
- vi) The claim for outstanding PAYE/NIC and VAT are based on estimated claims provided by the Company
- vii) Town and Country Group Limited is the sole shareholder

Town & Country Flooring (Norfolk) Limited B - Company Creditors

Key Name	Address	£
CA00	Antico International	27 076 67
CA03	Alto Digital Home Counties Ltd	256 91
CA04	Altro	12 088 48
CA05	Anglian Water	216 54
CA06	Arval UK Ltd	6,506 29
CA07	Autoglass	193 69
CA08	Advanced Cleaning Services	378 35
CA09	Armstrong DLW	0 00
CB00	British Telecom	0 00
CB01	Burmatex Ltd	941 04
CB02	Bonar Floors Ltd	297 60
CB03	Bostik Ltd	21,839 58
CB04	Brnlons	108 50
CB05	Beds Flooring	988 39
CC00	Alan R Cross & Son	600 16
CC01	Carpets International UK Plc	150 61
CC02	Checkmate Industries Ltd	975 89
CC03	Can Fixings Ltd	305 50
CD00	Desso Ltd	4 271 10
CD01	Interfloor Ltd	2 014 04
CE00	Ege Carpets Ltd	2 431 97
CE01	East Fire UK	0 00
CE02	E On	124 72
CF00	Faithfuls Ltd	104,160 65
CF01	Flooring Supplies Anglia Ltd	774 71
CF02	Fleethire Ltd	286 60
CG00	GAAS Flooring	2,584 28
CG01	Gradius Carpets Ltd	2 793 62
CG02	Greenwood and Coope Ltd	1,379 69
CG03	GE Capital Solutions	0 00
CH00	Polyflor	2 014 58
CH01	Hackmonwicke FB Ltd	28,555 93
CH02	HM Reveue & Customs	0 00
CH03	HSBC Invoice Finance (UK) Ltd	0 00
CI00	Interclad Ltd	1 750 82
CJ00	Jewson	217 51
CJ01	Joseph Hamilton & Seaton	2 845 68
CK00	Kamdean International	485 69
	Accounts Department Kingsfield Road Coventry, CV6 5AA	
	Summit House Cherrycount Way Leighton Buzzard, Beds LU7 8UH	
	Works Road Letchworth Herts SG6 1NW	
	Arval Centre, Windmill Hill, Swindon, SN5 6PE	
	PO Box 4487, Worthing, BN13 1YL	
	40/42 Chapel Street, Exning, Newmarket, CB8 7HB	
	Fleck Way, Teeside Ind Est, Stockton on Tees, TS17 9JT	
	Insolvency Department, Alexander Baine House, 15 York Street, Atlantic Quay, Glasgow, G2 8LA	
	Victoria Mills, Ossett, West Yorkshire, WF5 0AN	
	High Holborn Road, Ripley, Derby, DE5 3NT	
	Ulverscroft Road, Leicester, LE4 6BW	
	PO BOX 16 Exchange Street, Kidderminster, WORCS DY10 1AG	
	Telford Way Cambridge Road Bedford, MK42 0PQ	
	22a Station Road Wymondham Norfolk NR18 0JX	
	Bridge House Bridge Street Halstead, Essex, CO9 1HT	
	38-40 Mason Road Norwich, Norfolk, NR6 6RF	
	Hitching Court Abingdon Business Park, Abingdon Oxfordshire, OX14 1RB	
	Broadway, Haslingden, Rossendale, Lancashire BB4 4LS	
	Rochester House, Ackhurst Business Park, Chorley, PR7 1NY	
	Bridge Industrial Estate, Silfield Road, Wymondham Norfolk NR18 9AU	
	Lady Lane Industrial Estate, Hadleigh, Ipswich, IP7 6AU	
	Halesdon Park Road Drayton High Road, Norwich NR6 5DR	
	Station Court Old Station Road Hampton in Arden, Solihull B92 0HA	
	Cambridge Road, Bedford, MK4 0LH	
	Chapel Mill Park Green Macclesfield Cheshire SK11 7LZ	
	Brookhouse Mill Greenmount, Bury, Lancashire BL8 4HR	
	2630 The Quadrant Aztec West, Almondsbury Bristol BS32 4GQ	
	PO Box 3 Radcliffe New Road, Whitefield, Manchester M60 2BE	
	PO Box 7 Wellington Mills, Liversedge, West Yorkshire WF15 7XA	
	Debt Management Durrington House Barrington Road Worthing, West Sussex BN12 4SE	
	Farncombe Road, Worthing West Sussex, BN11 2BW	
	173 Main Road, Biggin Hill, Kent, TN16 3JR	
	PO Box 7357 Glasgow G51 9AB	
	Relay Park Relay Drive Tamworth Staffs B77 4PR	
	Crabapple International Vale Park Evesham Worcs WR11 1GP	

Signature

Date

Key Name		Address		£	
CL00	Lambeth Dixon	Unit 5, Drury Drive, Woodhall Business Park, Sudbury CO10 6WH		1,136	80
CL01	Salesmark Ltd	8 Howard Road, Eaton Socon, St Neots, Cambs PE19 8ET		1,323	74
CM00	More Than Safety Ltd	5BD Herald Ind Est, Hedge End, Southampton, SO30 2JW		137	41
CM01	Mercado	Thornes Farm Way, Thorns Farm Business Park, Leeds LS9 0PS		580	04
CM02	Mister Drinks Ltd	12 Bardolphs Court, Taverham, Norwich, NR8 6GW		74	81
CN00	New Forest District Council	Town Hall Avenue Road, Lymington, Hants SO41 9ZG		2,940	00
CO00	Mr Overalls	Silfield Road, Wymondham, Norfolk, NR18 9AU		173	03
CO01	Oaktree Partnership	Unit 5A, Allenbrooks Way, Station Road, Wymondham NR18 0N		2,707	00
CP00	Parker Skip Hire Ltd	5 Wendover Road, Rackheath Ind Est, Rackheath, Norwich NR13 6LH		1,410	00
CQ00	Quantum Risk Management	20 Nelson Road, St Johns, Worcester WR2 5BN		737	90
CR00	Robinsons Van Centre	Heigham Street, Norwich, Norfolk, NR2 4TF		2,366	70
CR01	Read Timber Limited	13 Hurricane Way, Airport Ind Estate, Norwich, NR6 6EZ		2,097	38
CS00	Sweeney Todd Blades Ltd	The Blade Bank, 22-26 Chaddock Lane, Boothstow, Worsley M28 1DB		732	48
CS01	Stannard Motors	Unit D, Philip Ford Way, Silfield, Wymondham NR18 9AQ		348	42
CS02	Standley Steel Stockholders	Valley View Works, London Road, Wymondham, Norfolk NR18 9JD		1,223	74
CS03	South Norfolk District Council	Swan Lane, Long Stratton, Norwich, NR15 2XE		6,240	00
CS04	Southern Electric	PO BOX 7507, Perth, PH1 3NT		86	25
CT00	Town & County Flooring Ltd	Somersham Road Ind Est, St Ives, Cambs, PE27 3LF		1,735	15
CT01	Tetragon Square Ltd	Windsor Court, Windsor Holloway, Kniver, Stourbridge, W MIDLANDS DY7 6NS		3,899	71
CT02	Tarkett-Marley Floors Ltd	Dickley Lane, Lenham Maidstone Kent ME17 2QX		1,716	43
CT03	Toucan Tool Hire	London Road, Wymondham NR18 9JD		56	97
CU00	Uzin Ltd	Unit 4/5 Cholswell Court, Shippon, Abbingdon, Oxon OX13 6HW		306	34
CW00	Wollimex	Relay Park, Relay Drive, Tamworth, Staffordshire B77 5PR		994	56
CW01	Wolf Contract Carpet Mills	Relay Park, Relay Drive, Tamworth, Staffs B77 5PR		131	02
CW02	Watnigwell Ltd	Unit 1 Debrac Centre, Ipswich Road, Needham Market, Ipswich IP6 8EJ		78	45
CZ00	S Desposito	13 St James Way, Long Stratton, Norwich, Norfolk, NR15 2PL		17	89
EA00	Mr KP Andrews	17 Wrenningham Road, Old Catton, Norwich, Norfolk NR6 7ED		0	00
EB00	Mr AR Bales	59 Sycamore Avenue, Wymondham, Norfolk, NR18 0HD		0	00
EB01	Mrs JA Blezard	21 Lindsay Road, Sprowston, Norwich, Norfolk, NR7 8JR		0	00
EB02	Mr RA Bye	4 Gawdy Close, Harleston, Norfolk, IP20 9ET		0	00
EC00	Mr PJ Clarke	28 Golding Place, Norwich, Norfolk, NR2 4BD		0	00
EC01	Mr AA Clarke	19 Grange Road, Ipswich, Suffolk, IP4 1NP		0	00
ED00	Mr KJ Donohoe	The Pines, Yarmouth Road, Raveningham, Norfolk, NR14 6NN		0	00
ED01	Mr NP Duffy	80 Blyth Meadow Drive, Sprowston, Norwich, Norfolk, NR7 8PZ		0	00
ED02	Mr LP Durrant	28 Flowerpot Lane, Long Stratton, Norwich, Norfolk, NR15 2SZ		0	00
EE00	Mrs D Evans	15 Tudor Way, Mulbarton, Norfolk, NR14 8DP		0	00
EH00	Mr P Holmes	61 Abbott Road, Bury St Edmunds, Suffolk, IP33 3UE		0	00
EK00	Mr B King			0	00

Signature

Date

Town & Country Flooring (Norfolk) Limited

B - Company Creditors

Key	Name	Address	£
EL00	Mr RDGW Leamon	50 Suffield Close, Long Stratton, Norwich Norfolk, NR15 2JL	0 00
EL01	Mr D Lazell	4 west View, Poringland, Norwich Norfolk NR14 7LW	0 00
EL02	Mr NC Leeder	4 Cantley Road South Burlingham, Norwich Norfolk, NR13 4HB	0 00
EM00	Mr DM Melton	14 Danesblower Close, Biofield, Norwich Norfolk, NR3 4LR	0 00
EN00	Mr CJ Naylor	4 Chapel Lane Foulsham, Dereham Norfolk, NR20 5RA	0 00
EP00	Mr FR Patricio	158 St John's Way, Thetford, Norfolk, IP24 3NT	0 00
EP01	Mr PJ Patricio	186 St John's Way, Thetford, Norfolk, IP24 3NO	0 00
EP02	Mr LJ Pickard	13 St Peters Close, Brockdish Norfolk IP22 4BD	0 00
EP03	Mr SM Pimlott	24 Blenheim Close, Sprowston, Norwich Norfolk, NR7 8AN	0 00
EP04	Mr MR Plunga	56 St Margrets Road, Lowestoft, Suffolk, NR32 4HT	0 00
EQ00	Mr JH Quantrell	39 Edgefield Close, Old Cotton, Norwich Norfolk, NR6 7HP	0 00
EQ01	Mr RL Quinton	4 Carpenters Close, Milngwood, Norfolk, NR13 4BF	0 00
ER00	Mr A Rowe	15 Kennedy Close, Easton Norwich Norfolk, NR9 5EZ	0 00
ER01	Mr AS Roberts	115 Appleyard Crescent, Mile Cross, Norwich Norfolk NR3 2QH	0 00
ER02	Mr SP Roberts	6 Kennedy Close, Easton, Norwich Norfolk NR9 5EZ	0 00
ES00	Mr R Sparks	12 Pym Close, Dussindale, Norwich, Norfolk NR7 0QP	0 00
ES01	Mr PA Stevens	9 Emelson Close East Dereham, Norfolk, NR19 2ES	0 00
ES02	Mr SA Sumner-Ali	41 The Oval, Saham Toney, Thetford, Norfolk IP25 7HW	0 00
ET00	Mr D Thompson	58 Kemball Street, Ipswich, Suffolk, IP4 5EB	0 00
EW00	Mr DW Wallis	16 Blenheim Close, Long Stratton, Norwich Norfolk, NR15 2RQ	0 00
EW01	Mr G Williams	22 Cuckoofield Lane Mulbarton Norfolk, NR14 8AY	0 00

97 Entries Totalling

282 858 11

Signature

Date

JOINT ADMINISTRATORS' TIME COSTS AND EXPENSES

- a Begbies Traynor policy for re-charging expenses,
- b Begbies Traynor charge-out rates,
- c Narrative summary of time costs incurred and summary by staff grade and work activity,

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

CHARGING POLICY

- *Category 1 expenses (approval not required)* – with the exception of any items referred to below, all such items are re-charged to the case as they are incurred
- *Category 2 expenses (approval required)*
 - (A) The following items of expenditure are re-charged as described
 - Internal meeting room usage for the purpose of statutory meetings of creditors is re-charged at the rate of £100 (London £150) per meeting,
 - Car mileage is re-charged at the rate of 40 pence per mile,
 - Storage of books and records (when not rechargeable as a *Category 1 expense*) is recharged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,
 - (B) The following items of expenditure will normally be treated as general office overheads not subject to a re-charge
 - Telephone and facsimile
 - Printing and photocopying
 - Stationery

A re-charge may be made, however, where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*

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

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 Birmingham office as at the date of this report are as follows:

Grade of staff	Charge-out Rate (£ per hour)
Partner (1)	395
Partner (2)	350
Director	325
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Junior Administrator	100

Prior to 1 July 2008, the following rates applied:

Grade of staff	Charge-out Rate (£ per hour)
Partner	365
Director	270
Senior Manager	210
Manager	180
Assistant Manager	145
Senior Administrator	115
Administrator	100
Junior Administrator	70

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).

Town & Country Flooring (Norfolk) Limited (In Administration)
Summary of the Joint Administrators as at 17 September 2008

Staff analysis

Grade Analysis	Average Charge out rate £	Hours	Amount £
Partner 1	395 00	0 00	-
Partner 2	350 00	0 00	-
Manager	250 00	43 20	10,800 00
Assistant Manager	195 00	0 00	-
Senior Administrator	160 00	0 00	-
Administrator	130 00	24 00	3,120 00
Cashier	100 00	4 25	425 00
Total		71 45	14,345 00

Work analysis

Category of work	Hours	Amount £
Administration and Accountancy	37 75	5,920 00
Planning and Control	2 60	650 00
Fixed Charge Assets	0 00	0 00
Floating Charge Assets	10 00	2,500 00
Debt Collection	4 85	1,212 50
Preferential, Unsecured Creditors and Members	2 75	687 50
Employees	7 00	1,750 00
Investigations	1 75	437 50
Meetings and Statutory Duties	2 75	687 50
Reporting and Statement of Affairs	2 00	500 00
Total	71 45	14,345 00

**TOWN AND COUNTRY FLOORING (NORFOLK) LIMITED - IN
ADMINISTRATION**

**NARRATIVE OF WORKS UNDERTAKEN
BY THE JOINT ADMINISTRATORS**

FOR THE PERIOD FROM 24 JULY 2008 TO 17 SEPTEMBER 2008

1. Administration and Accountancy

- The preparation of standard letters per Joint Administrators work programme
- Setting up and organising filing system
- Completion of new case notification form
- Inputting case onto Insolvency Practitioners System
- General case administration
- Manually inputting creditors onto Insolvency Practitioners System in order to circulate the notice of the appointment of the Joint Administrators
- Completion of set up data onto Insolvency Practitioners System and setting up compliance case diary
- Obtaining Joint Administrators bond
- Completion of bank mandate to open a bank account for the Joint Administrators
- Travelling to various branches
- Obtaining financial information from Company's accounting system
- Discussions with management to appraise them on the effect of the Administration Order, their roles and responsibilities
- Preparation of letters to directors
- Internal meetings with staff to plan work requirements and planning for such requirements
- Reviewing work programme to ensure that all statutory appointment matters have been addressed
- Completion of appointment acceptance checklist and preparation of accompanying memorandum
- Ongoing maintenance of case files

2. Planning and Control

- Liaising with director and management for financial information
- Discussions with legal advisors and agents

3. Floating Charge Assets

- Dealing with the sale of the Company's plant & tools, stocks and office equipment
- Liaising with legal advisors

- Preparation of journal vouchers to post income from asset sale proceeds to Insolvency Practitioners System
- Liaising with floating charge creditors
- Obtaining Company lease
- Instructed professional advisors to value leases and other assets
- Reviewing valuation report
- Preparation of letters to landlord's legal advisors re surrender of lease
- Corresponding and meeting with retention of title ("ROT") suppliers

4. Debtors

- Instructing and liaising with agents in respect of contract debtors
- Corresponding with contract debtors
- Preparation of paying in instructions to post income from debtor receipts to Insolvency Practitioners System

5. Preferential & Unsecured Creditors

- Circulating notice of appointment to unsecured creditors
- Corresponding with unsecured creditors
- Liaising with management in regard to creditor queries
- Addressing queries of landlords managing agents
- Contacting HM Revenue & Customs to appraise them of appointment of Joint Administrators
- Discussions with secured creditor
- Liaising with management for information

6. Employees

- Meeting with employees to affect redundancies
- Assisting employees with queries in respect of statutory entitlements
- Completing necessary forms to process employee claims

7. Meetings and statutory duties

- Preparation of statutory appointment documents
- Filing statutory appointment documents at Court
- Complying with statutory duties on appointment
- Submission of documents to Registrar of Companies
- Reviewing internal file checklist to ensure all compliance matters have been completed
- Updating case diary on Insolvency Practitioners System

8. Reporting and Statement of Affairs

- Written notice to director requesting the submission of the statement of affairs
- Discussions with director re statement of affairs
- Discussions with stakeholders re estimated outcome

Rule 2.37

Form 2.21B

Creditor's request for a meeting

Name of Company
Town & Country Flooring (Norfolk)
Limited

Company number
01865509

In the
High Court of Justice - Birmingham
[full name of court]

Court case number
9363 of 2008

(a) Insert full name and
address of the creditor making
the request

I, (a)
request a meeting of the creditors of

(b) Insert full name and
address of registered office of
the company

(b) Town & Country Flooring (Norfolk) Limited, Newater House, 11 Newhall Street, Birmingham
B3 3NY

(c) Insert amount of claim

My claim in the administration is (c) £

(d) Insert full name(s) and
address(es) of creditors
concurring with the request (if
any) and their claims in the
administration if the
requesting creditor's claim is
below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of concurrence

The purpose of the meeting is (e)

(e) Insert details of the
purpose of the meeting

Signed

Dated