

The Insolvency Act 1986

Administrator's progress report

Form 2.24B(CH)

Name of Company BHW (Components) Limited	Company number 00801199
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In the High Court of Justice Chancery Division Manchester District Registry (full name of court)	Court case number 3215 of 2013
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(a) Insert full name(s) and address(es) of administrators

We (a) Philip Duffy and Stephen Clancy of Duff & Phelps Ltd , The Chancery, 58 Spring Gardens, Manchester, M2 1EW

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

from (b) 26 March 2013	to (b) 25 September 2013
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(b) Insert dates

Signed _____
Joint Administrator

Dated 25 10 13

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

Duff & Phelps Ltd
The Chancery
58 Spring Gardens
Manchester
M2 1EW
Tel +44 (0) 161 827 9000

TUESDAY



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

Progress Report to Creditors

24 October 2013

BHW (Components) Limited (In Administration)

*Joint Administrators' Progress Report to Creditors
for the period from 26 March 2013 to 25 September 2013
pursuant to Rule 2 47(1) of the Insolvency Rules 1986 as amended*

**Duff & Phelps Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW**

Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents or Tallon	Tallon and Associates Limited, independent agents who were instructed to value and sell the assets of the Company
the Appointment Date	26 March 2013, being the date of appointment of the Joint Administrators
the Bank	Lloyds TSB Bank plc, with whom the Company banked
BIHG	Berwick Industrial Holdings Group Limited, formerly LNB UK Limited
CAM	Close Asset Management Limited
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
CAF	Close Asset Finance
CIF	Close Invoice Finance Limited, with whom the Company had an invoice finance facility, and the holder of a fixed and floating charge over the Company's assets
the Company	BHW (Components) Limited (In Administration) (Company Number 00801199)
CVL	Creditors Voluntary Liquidation
DBIS	The Department for Business Innovation and Skills
the Directors	Peter James Neagle and David Roy Howick, the Directors of the Company
Duff & Phelps	Duff & Phelps Ltd
Hampson	Hampson Industries Pic
HMRC	HM Revenue and Customs
the Joint Administrators	Philip Duffy and Stephen Clancy of Duff & Phelps Ltd , The Chancery, 58 Spring Gardens, Manchester, M2 1EW
the Management	Adrian Sheldon (managing director), Tony Ashall (financial accountant) and Lindsey Wickens (operations director)
NDA	Non-Disclosure Agreement
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to unsecured creditors

the Proposals	The Joint Administrators' proposals and report to creditors, dated 17 May 2013
the Purchaser	Aeroform Industries Limited, the purchaser of the business and assets of the Company
the Reporting Period	the period 26 March 2013 to 25 September 2013
RPS	Redundancy Payments Service
the Rules	The Insolvency Rules 1986 (as amended)
the Secured Creditor	CIF, the holder of a fixed and floating charge over the Company's assets
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners regarding the acquisition of assets of insolvent companies by Directors
SOA	Statement of Affairs, documentation to be supplied by the Directors outlining the Company's financial position as at the Appointment Date
TUPE	The Transfer of Undertaking (Protection of Employment) Regulations 2006
WIP	Work in Progress

Contents

1. Introduction
2. Joint Administrators' Report and Statement of Proposals
3. Progress of the Administration
4. Investigations
5. Dividend Prospects / Prescribed Part
6. Joint Administrators' Receipts and Payments Account
7. Pre-Administration Costs
8. Joint Administrators' Costs and Expenses
9. Conclusion and Ending the Administration
10. Next Report

Appendices

1. Statutory Information
2. Joint Administrators' Receipts and Payments Account
3. Analysis of Time Charged and Expenses Incurred

Names of Joint Administrators: Philip Duffy
Stephen Clancy

Date of Appointment: 26 March 2013

Date of Report: 24 October 2013

Appointed by: Close Brothers Invoice Finance Limited
80 Mosley Street
Manchester
M2 3FX

Court Reference: High Court of Justice
Chancery Division
Manchester District Registry
No 3215 of 2013

1. Introduction

- 1 1 The Joint Administrators were appointed on the Appointment Date by CIF, the holder of a qualifying floating charge under Paragraph 14 of Schedule B1 to the Act
- 1 2 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators are being exercised by either of the Administrators
- 1 3 The purpose of this report is to provide creditors with details of the progress of the Administration for the Reporting Period, in accordance with Rule 2 47(1) of the Rules
- 1 4 This report should be read in conjunction with the Proposals
- 1 5 Statutory information on the Company is attached at Appendix 1

2. Joint Administrators' Report and Statement of Proposals

- 2 1 In accordance with Paragraph 51 of Schedule B1 to the Act, a creditors' meeting was held at Duff & Phelps, The Chancery, 58 Spring Gardens, Manchester, M2 1EW on 3 June 2013. The Proposals were approved at that meeting
- 2 2 As advised in the Proposals, the Joint Administrators must perform their functions with the purpose of achieving one of the following hierarchical objectives
- Rescuing the Company as a going concern, or
 - 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
 - Realising property in order to make a distribution to one or more secured or preferential creditors
- 2 3 The first objective has not been met as the Company was heavily loss making and had insufficient funds with which to meet its liabilities, thus making the Company unattractive to any potential purchaser
- 2 4 The Joint Administrators continue to pursue the second objective, as it is likely that a better result for creditors as a whole will be achieved than if the Company had been wound up without first being in Administration for the following reasons
- Book debt collections were enhanced by the continuity of trade for customers as a result of the Administration trading period, and by the continuity provided by a completion of the sale of the business and assets to the Purchaser;
 - If the Company had been wound up, all the employees would have immediately been made redundant, resulting in an increase in both preferential and non-preferential claims, thus diluting any potential return to the remaining creditors,
 - Following the sale of the business and assets of the Company, the employees who had been retained in the Administration trading period were transferred to the Purchaser under TUPE, therefore limiting the level of preferential and non-preferential employee claims in the Administration of the Company,

- The Joint Administrators were able to realise a greater value from the assets of the Company whilst it traded than would have been achievable if the Company had ceased to trade on the Appointment Date,
- The Joint Administrators were able to generate a surplus during the trading period, increasing the potential return to the general body of creditors

2 5 The second objective of the Administration will be achieved when the Company is placed into CVL in order to make a distribution to non-preferential creditors

2 6 The third objective of the Administration has been achieved following distributions made to CIF CIF have been repaid in full, including interest and charges The Joint Administrators also anticipate a distribution will be made to preferential creditors

3. Progress of the Administration

3 1 The manner in which the affairs and business of the Company have been managed since the appointment of the Joint Administrators and will continue to be managed and financed are set out below

Administration Trading Period

3 2 The Proposals detailed that the Joint Administrators undertook a trading period whilst a prospective purchaser for the business and assets of the Company was sought Please refer to the Proposals for details as to how the Administration trading period was conducted

3 3 Based on the short term trading projections, in order to reduce the overhead cost base during the trading period it was concluded that a number of redundancies were required As such, a total of 65 staff were made redundant on 3 April 2013

3 4 In light of the financial position of the Company, the Joint Administrators were unable to pay the accruing wages from the Appointment Date for those employees made redundant on 3 April 2013 These wages are an expense of the Administration and will be paid shortly after the issuing of this report

3 5 Where required, the Joint Administrators were able to obtain the support of the Company's key suppliers The Joint Administrators made the decision to focus on WIP that was close to completion in order to generate revenue in the short term

3 6 In a number of cases, raw materials were supplied on a free issue basis enabling the continued production of essential parts for key customers

3 7 Total sales of £891,797 were realised in the Administration trading period, all of which has now been remitted to the Administration bank account This level is £14,866 less than the sales figure of £906,663 reported in the Proposals This is as a consequence of settlements being made with customers in respect of direct costs incurred in dealing with the Company's suppliers The cash collections have been detailed in the Joint Administrators' receipts and payments account at Appendix 2

3 8 Trading expenditure has totalled £452,696 to date, inclusive of the wage and salary costs Following a sale of the business and assets to the Purchaser, the Administration trading period ceased on 9 May 2013

3 9 The Joint Administrators continue to settle outstanding Administration trading liabilities, including payment of monies due to HMRC in respect of PAYE and NI contributions, redundant employee wages, and remaining utility payments It is anticipated that there will

be a trading surplus available to the Administration estate of approximately £350,000

- 3 10 An update as to the final trading position will be provided in the Joint Administrators' final report to creditors

Sale of Business and Assets

- 3 11 The Proposals advised creditors that after receiving a number of offers for the business and assets of the Company, a sale was concluded to the Purchaser on 9 May 2013. Please refer to the Proposals for a detailed overview of the sales process.
- 3 12 The breakdown of the total sale consideration of £600,000 is summarised below

Asset	Consideration	
Goodwill	£	1,000
Business Information	£	1,000
Intellectual Property	£	1,000
Equipment	£	10,000
Stock	£	90,000
Customer Contracts, Administrators Purchase Contracts and WIP	£	497,000
Total	£	600,000

- 3 13 The terms of the arrangement were such that initial consideration of £100,000 was paid on completion and £200,000 was paid one week after completion.
- 3 14 The remainder of the sale consideration was deferred, payable by 3 monthly instalments of £100,000, with the final instalment due on 9 August 2013.
- 3 15 Mr Amin Amiri of A2E Venture Catalysts Limited has provided the Joint Administrators with a Personal Guarantee in respect of the deferred consideration.
- 3 16 The first of the £100,000 payments fell due on 10 June 2013 and was paid on this date. However, a subsequent instalment falling due on 9 July 2013 has yet to be received.
- 3 17 The Purchaser has raised a number of disputes surrounding the available WIP following the completion of the sale, and other aspects regarding the sale agreement. A meeting took place on 4 July 2013 to discuss these points. The Joint Administrators responded to these concerns in writing on 10 July 2013, however at the date of this report no response has been received.
- 3 18 A further payment of £100,000 which fell due on 9 August 2013 has also yet to be received in full by the Joint Administrators, however a payment of £50,000 was received on 12 August 2013.
- 3 19 As detailed above, a total of £150,000 of consideration due from the Purchaser remains outstanding, although set-off of £58,810 in respect of the Purchaser's assistance in collecting in the trading debtors could be applied. The Joint Administrators are currently taking legal advice in this respect, and a further update will be provided in the next report to creditors.

3 20 Since the end of the Reporting Period, on 7 October 2013 the Purchaser has been placed into Administration. Further details on the anticipated impact of this on the Company will be provided in the next report to creditors.

3 21 In accordance with SIP 13, a summary of the transaction has been provided below:

The Purchaser Aeroform Industries Limited

Date of Transaction 9 May 2013

Associated Parties The Company and the Purchaser are connected by virtue of common management with two of the Company's senior members of staff also being members and directors of the Purchaser:

- Adrian Sheldon
- Lindsey Wickens

Sale of Assets

3 22 As detailed above, the original purchase of the share capital by BIHG was financed in part by CAM under a series of hire purchase agreements. These assets were marketed with the rest of the business and assets as detailed above.

3 23 In tandem with the sale of business process outlined above, the Purchaser has also acquired the assets subject to hire purchase for total consideration of £1,649,440 plus VAT. The sale of these assets was considered separately from the sale of the business and other assets as a going concern.

3 24 The sale of these assets was completed on 9 May 2013. Consideration for these assets has been remitted to CAM in full. The sale and subsequent distribution to CAM has been reflected in the Joint Administrators' receipts and payments account at Appendix 2.

3 25 Please note that CAM has invoiced the Purchaser directly and as such, no VAT will be reclaimable in the Administration.

Book Debts

3 26 The Company's customers are based in the United Kingdom, the EU and the USA. As such, two separate ledgers were maintained in respect of sterling and dollar collections. As at the Appointment Date, the Company's balance outstanding on the sterling account was £861,970 with \$678,207 due on the dollar account.

3 27 The book debts were assigned to CIF, who were owed approximately £484,042 as at the Appointment Date, subject to accruing interest and charges. Termination charges of £188,082 have subsequently been applied to the account increasing the indebtedness of CIF to £672,124.

3 28 Collections in the Reporting Period have been approximately £751,535 taking into account exchange rate fluctuations. Following the collections of this ledger, CIF have been repaid in full. These collections have been remitted to CIF directly and as such are not included in the receipts and payments account at Appendix 2.

- 3 29 The sale of the business and assets excluded the sale of the Company's book debt ledgers. The Joint Administrators have now assumed responsibility for the collection of the Company's book debts.
- 3 30 Following repayment of CIF, the remainder of the ledger has been reassigned to the Company. During the reporting period a surplus of £79,741 has been remitted to the Joint Administrators.
- 3 31 The Joint Administrators continue to pursue the remaining book debt ledger and will provide a further update to creditors in the next report to creditors.

Cash at Bank

- 3 32 As at the Appointment Date, the Company had cash at bank of £86,627 which was held at the Bank. These funds have been transferred to the Administration bank account.

Sundry Refund

- 3 33 The Company received an unanticipated sundry refund of £83.

Gross Bank Interest

- 3 34 Gross bank interest of £195 has been received during the period.

Airbus Settlement

- 3 35 The Company has received £41,136 in respect of a settlement with one of its major customers, Airbus. The settlement was agreed prior to the appointment of the Joint Administrators and relates to the cancellation of the Hawker Beechcraft aircraft program. This payment represents full and final payment under the terms of the agreement.

Invoice Discounting VAT Reclaimable

- 3 36 The Company also received £26,561 for a reclaim of VAT paid in respect of its Invoice Discounting facility with CIF. CIF have subsequently dis-applied this, and this will be amended in the next VAT return.

Research and Development Credits

- 3 37 The Company's financial accounts state that the Company incurred significant expenditure on research and development prior to the Appointment Date.
- 3 38 The Joint Administrators will investigate the potential to realise any tax credits that would have been available to the Company for the benefit of the Administration and have instructed tax agents to assist in this regard. The Joint Administrators are unable to comment on the value of these credits, if any, at this time, however any such credits are likely to be offset against the outstanding indebtedness to HMRC.

Other Matters

- 3 39 An update as to the progress of this matter, if such relief is available, will be given to creditors in the next progress report.
- 3 40 There are no further assets being dealt with in the Administration of the Company.
-

3 41 The Joint Administrators are continuing to take legal advice from Shoosmiths in respect of a potential challenge to the validity of the Administration from BIHG, the sole shareholder of the Company

3 42 The Joint Administrators wrote to BIHG on 20 September 2013 and have yet to receive a response. In the absence of any further correspondence from BIHG, the Joint Administrators will consider the matter to be concluded.

4. Investigations

4 1 The Joint Administrators' investigations into the Company's affairs are currently ongoing. The Joint Administrators cannot, at this stage, detail the nature of these investigations as it may hamper any further action that may be required. However, should any of the Company's creditors have information concerning the Company's affairs that they would like to bring to the Joint Administrators' attention, please contact this office.

4 2 The Joint Administrators have complied with their statutory obligation to file a report with DBIS regarding the conduct of all directors of the Company that served in the three years prior to the Joint Administrators' appointment. The content of this report is confidential.

5. Dividend Prospects / Prescribed Part

Secured Creditors

CIF

5 1 In consideration for the monies advanced under the Company's invoice discounting agreement the Company granted CIF a debenture created on 16 November 2012 and registered on 20 November 2012, which confers fixed and floating charges over all of the assets of the Company. In addition, the invoice discounting agreement results in the assignment of all book debts.

5 2 As at the Appointment Date, the Company's indebtedness to CIF was circa £672,124, inclusive of termination charges and subject to additional accruing interest, charges and costs. As discussed at paragraph 3.28 book debt collections to date total £751,535.

5 3 As noted above, following the on-going collection of the Company's book debt ledger, CIF have been repaid in full.

Preferential Creditors

5 4 Pursuant to the draft SOA as prepared by the Company's financial controller, the estimated preferential claims to date are £143,086.

5 5 Although the Joint Administrators are yet to receive notification of the preferential creditors' claims, at this stage, it is anticipated that there will be sufficient funds available to enable a distribution to preferential creditors.

5 6 It is likely that a significant element of the preferential claim will be employees' claims which are mostly subrogated to the Secretary of State, following payment by the RPS.

5 7 The sale of the business and assets of the Company to the Purchaser has resulted in the remaining employee contracts being transferred under TUPE, thus limiting the level of preferential creditor claims in the Administration.

Prescribed Part

- 5 8 The provisions of the Prescribed Part under Section 176 of the Act would normally apply in this instance as the qualifying floating charge over the assets of the Company was created after 15 September 2003
- 5 9 The Joint Administrators would only consider the charge held by CIF when applying the Prescribed Part
- 5 10 As CIF has been repaid in full under its specific assignment of the book debts, inclusive charges and interest, the provisions of the Prescribed Part are not applicable, as there is not expected to be any outstanding indebtedness under a floating charge

Non-Preferential Creditors

- 5 11 According to the SOA, non-preferential creditors total £2,937,766 The non-preferential creditors can be summarised as follows

Creditor	Claim
Trade & Expense Creditors	£ 2,653,611
HM Revenue & Customs	£ 284,155
Total	£ 2,937,766

- 5 12 Please note that following employees being made redundant in the Administration trading period, there will be additional non-preferential claims in respect of employee redundancy and contractual notice period claims As with the preferential claims, the actual quantum of these claims is yet to be established
- 5 13 Based upon the current information available, it is anticipated that there will be sufficient realisations to enable a distribution to the non-preferential creditors of the Company
- 5 14 If not already done so creditors of the Company should complete a proof of debt form and return the same to the Joint Administrators

6. Joint Administrators' Receipts and Payments Account

- 6 1 A detailed receipts and payments account, for the Reporting Period is shown in Appendix 2
- 6 2 As at 25 September 2013, there was a cash balance of £568,352

7. Pre-Administration Costs

- 7 1 On 3 June 2013, the following amounts in respect of Pre-Administration costs (plus VAT) were approved by the creditors, to be paid out of the assets of the Company

Names of Recipient	Brief Description of Services Provided	Total Amount Approved	
Duff & Phelps	A review of the Company's financial positions, meetings with the Secured Creditor, planning strategies and statutory matters placing the Company into Administration	£	20,073
Shoosmiths	Assisting in placing the Company into Administration	£	4,250
Total		£	24,323

- 7 2 The Joint Administrators' and Shoosmiths' costs were drawn in full on 10 July 2013 and 1 July 2013 respectively

8. Joint Administrators' Costs and Expenses

- 8 1 The Joint Administrators' basis of remuneration was fixed on the basis of time properly incurred by them and their staff at the creditors meeting held on 3 June 2013. The Joint Administrators were also authorised to draw Category 2 Disbursements incurred in dealing with the Administration
- 8 2 The time costs charged in the period by Duff & Phelps are as analysed at Appendix 3
- 8 3 The total time costs incurred by the Joint Administrators to the end of the Reporting Period are £521,061, representing 1,689 hours with an average charge out rate of £308.49.
- 8 4 A total of £300,000 has been paid to the end of the Reporting Period in respect of the Joint Administrators' post appointment remuneration. Details of payments are shown on the receipts and payments account at Appendix 2
- 8 5 Since the end of the current period, the Joint Administrators have drawn £200,000 plus VAT in respect of remuneration, of which further details will be included in the next report to creditors
- 8 6 The Joint Administrators have drawn £2,983 in respect of Disbursements during the period
- 8 7 The Joint Administrators have incurred the following expenses in the period of this report in dealing with the Administration of the Company

Company	Role	Amount Incurred
Shoosmiths	Solicitors dealing with ad hoc insolvency matters and dispute with BIHG	£ 48,343
Courts Advertising Limited	Statutory Advertising	£ 169
Wright Halsall	Legal Advice	£ 10,000
Aeroform Industries Limited	Purchasers time and expense incurred in assisting in collection of trading period debts	£ 12,470
Ansarada	Provision of online data room	£ 500
Tallon & Associates Limited	Valuation of assets	£ 8,325
Cerberus Receivables Management	Debt collection fees	£ 30,000
Barclays	Bank charges	£ 2,436
Total		£ 112,243

- 8 8 A total of £58,115 has been recorded under the heading Strategy Planning and Control. In light of the short timeframes afforded to the Joint Administrators prior to their initial involvement with the Company and the Appointment Date, a significant amount of time was spent devising a comprehensive strategy and conducting an in depth review as to the financial and operational position of the business immediately following their appointment. Additional time was spent monitoring this strategy and reviewing all matters associated with the case.
- 8 9 The Joint Administrators have incurred time costs of £113,059 in respect of Sale of Business. Time was spent negotiating with the various interested parties who had expressed an interest in the business, as well as meeting several of these parties on site. Additional time was spent dealing with the final sale agreement, ensuring the completion of the sale documents and monitoring adherence to the terms of the sale agreement.
- 8 10 Time costs of £153,291 have been spent in dealing with Trading Operations on site. The nature of the business and the Administration has meant that a constant site presence was required to deal with the day to day trading of the Company. These time costs are in respect of dealing with various suppliers, customers and monitoring the trading performance of the Company whilst in Administration. These time costs were necessary to ensure that returns to creditors were maximised in the trading period whilst a sale of the business and assets were sought.
- 8 11 Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website.

website at [http //www duffandpHELPS com/uk-restructuring/creditor-guides](http://www.duffandpHELPS.com/uk-restructuring/creditor-guides) Should you require a copy, please contact this office

- 8 12 In accordance with Rule 2 48A of the Rules, secured creditors and unsecured creditors (with the concurrence of at least 5% in value of total unsecured creditor claims) or with the permission of the court, may make a request in writing for further information about the remuneration or expenses set out in this progress report This should be done within 21 days receipt of this report, after which the Joint Administrators have 14 days to respond
- 8 13 In addition to the above, any secured creditor, or any unsecured creditor (with the support of at least 10% in value of the total unsecured creditors) or with the permission of the court, may apply to the court on the grounds that the remuneration or basis fixed for the Administrators' remuneration or the expenses incurred by the Joint Administrators are considered to be excessive In accordance with Rule 2 109 of the Rules, this application must be made no later than eight weeks after receipt of the Progress Report, where the charging of the remuneration or the incurring of expenses in question occurs

9. Conclusion and Ending the Administration

- 9 1 The Proposals advised that Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the creditors' consent
- 9 2 As previously reported, it is anticipated that there will be sufficient asset realisations with which to make a distribution to non-preferential creditors As such, following the completion of all matters in respect of the Administration, the Joint Administrators will take steps to place the Company into CVL in order for a distribution to be made to non-preferential creditors
- 9 3 Philip Duffy and Stephen Clancy will be subsequently appointed as Joint Liquidators of the Company

10. Next Report

- 10 1 Generally the Joint Administrators will provide a progress report within one month of the end of the each six months of the Administration or earlier if an extension to the period of the Administration is required
- 10 2 On present information, as it is anticipated that the Administration will conclude within the next six months, the next report to creditors will be a final report This is likely to be made available to creditors no later than 19 March 2013
- 10 3 If you have any queries or require any further assistance, please do not hesitate to contact my colleague Perry Higgins of this office



Philip Duffy
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Philip Duffy and Stephen Clancy, who act as agents for the Company and without personal liability Both are licensed by the Insolvency Practitioners Association

Appendix 1

Statutory Information

Statutory Information

Date of Incorporation	16 April 1964
Registered Number	00801199
Company Directors	Mr Peter James Neagle Mr David Roy Howick
Company Secretary	None
Shareholder	Berwick Industrial Holdings Group Limited 5000 Ordinary Shares 100% Shareholding
Trading Addresses	Wheatley Park Industrial Estate Caxton Close Wigan WN3 6XU Hawley Brook Industrial Estate Wigan WN3 6XE
Registered Office	Current: The Chancery 58 Spring Gardens Manchester M2 1EW Formerly: Pennant House 1-2 Napier Court Napier Road Reading Berkshire RG1 8BW
Any Other Trading Names	None

Appendix 2

Joint Administrators' Receipts and Payments Account

BHW (Components) Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 25/09/2013

S of A £	£	£
SECURED ASSETS		
Goodwill	1,000.00	
Intellectual Property Rights	1,000.00	
Business Information	1,000.00	
	<u>3,000.00</u>	3,000.00
SECURED CREDITORS		
Aeroform Invoices Received	25,343.28	
	<u>25,343.28</u>	25,343.28
HIRE PURCHASE		
Plant and Machinery	1,649,440.00	
Close Asset Management Limited	(1,649,440.00)	
	<u>NIL</u>	NIL
ASSET REALISATIONS		
Debtors	79,741.15	
Contracts, WIP, Purchase Contracts	347,000.00	
Stock	90,000.00	
Equipment	10,000.00	
Cash at Bank	86,626.92	
Sundry Refunds	82.50	
Bank Interest Gross	194.52	
Airbus Settlement	41,136.46	
Trading Surplus/(Deficit)	438,655.89	
Invoice Discounting VAT Reclaimable	26,560.50	
	<u>1,119,997.94</u>	1,119,997.94
COST OF REALISATIONS		
Debt Collection Costs	12,469.73	
Pre Insolvency Remuneration	20,072.50	
Data Room Expenditure	500.00	
Joint administrators' remuneration	300,000.00	
Joint administrators' disbursements	2,983.73	
Agents/Valuers Fees	8,325.00	
Legal Fees	52,343.00	
Book Debt Collection Costs	30,000.00	
Statutory Advertising	169.20	
Bank Charges	2,436.40	
	<u>(429,299.56)</u>	(429,299.56)
PREFERENTIAL CREDITORS		
Employee Arrears/Hol Pay	38,227.53	
	<u>(38,227.53)</u>	(38,227.53)
		<u>680,814.13</u>
REPRESENTED BY		
VAT Receivable		530.28
Floating/main current account		568,351.88
General VAT control account		111,931.97
		<u>680,814.13</u>

Appendix 3

Analysis of Time Charged and Expenses Incurred

46021 BHW (COMPONENTS) LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 24/03/2013 to 26/03/2013

ADP-Admin - Pre Appt

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Deals with Directors and Management	10 00	0 00	0 00	0 00	0 00	10 00	5,050 00	505 00
Financial review	0 00	22 70	0 00	2 00	0 00	24 70	9,620 00	389 47
Strategy planning & control	8 50	2 00	0 00	2 00	0 00	12 50	5,402 50	432 20
Total Hours	18 50	24 70	0 00	4 00	0 00	47 20		425 26
Total Fees Claimed	9,342 50	9,790 00	0 00	940 00	0 00		20,072 50	

Category 2 Disbursements

46021 BHW (COMPONENTS) LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 26/03/2013 to 25/09/2013

ADM-Admin - Post Appt

Classification of Work Function	Hours					Total Hours	Time Ccst	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review and Case Diary management	22 25	6 30	0 00	10 60	4 50	43 65	16,248 25	372 24
Cashiering & accounting	3 60	11 40	16 90	35 25	9 70	76 85	18,345 50	238 72
Dealings with Directors and Management	0 00	23 90	0 00	4 60	0 00	28 50	9,322 00	327 09
IPS set up & maintenance	0 00	0 00	0 00	4 30	0 00	4 30	892 50	207 56
Insurance	0 00	0 00	0 00	2 20	0 00	2 20	578 00	262 73
Statement of affairs	0 00	0 60	0 00	0 00	0 00	0 60	192 00	320 00
Statutory matters (Meetings & Reports & Notices)	4 50	39 60	1 25	51 20	0 00	96 55	26,852 00	278 11
Strategy planning & control	27 80	114 15	0 00	28 00	0 00	169 95	58,114 50	341 95
Tax Compliance/Planning	0 10	2 25	0 00	14 50	0 00	16 85	3,144 75	186 63
Creditors								
Communications with Creditors/Employees	14 00	2 15	0 00	72 10	7 00	95 25	22,584 00	237 10
Creditors committee	18 00	0 00	0 00	0 00	0 00	18 00	9,090 00	505 00
Non Pref Creditors/Employee claims handling	0 00	2 40	0 00	15 70	8 00	26 10	3,255 00	124 71
Pref claims adjudication and distribution	0 00	0 00	0 00	0 00	2 90	2 90	319 00	110 00
Secured Creditors	0 50	10 00	0 00	0 30	0 00	10 80	3,695 50	342 18
Investigations								
CDDA & reports & Communication	0 00	1 60	0 00	28 00	0 00	29 60	7,832 00	264 59
Financial review and investigations (\$238/239 etc)	0 00	18 60	0 00	0 00	4 75	23 35	7,962 50	341 01
Forensic Sales Ledger Investigation	0 00	2 50	0 00	0 00	0 00	2 50	887 50	355 00
Realisation of Assets								
Book debts	0 00	30 15	0 00	12 70	0 00	42 85	14,164 25	330 55
Freehold and Leasehold Property	0 00	1 00	0 00	5 10	0 00	6 10	1,636 00	268 20
Other Tangible Assets	0 00	0 00	0 00	8 80	0 00	8 80	1,816 00	206 36
Sale of business	117 00	151 70	0 00	16 10	0 00	284 80	113,058 50	396 98
Stock and Work In Progress	0 00	0 00	0 00	6 50	0 00	6 50	1,300 00	200 00
Trading								
Trading - Accounting	0 00	13 60	0 00	90 80	0 00	104 40	27,700 00	265 33
Trading - Employees	0 00	0 40	0 00	19 30	0 00	19 70	5,339 00	271 02
Trading - Operations	50 00	257 25	0 00	200 00	0 00	507 25	153,290 50	302 20
Trading - Retention of Title & Claims handling	0 00	11 20	0 00	49 50	0 00	60 70	13,442 00	221 45
Total Hours	257 75	700 75	18 15	675 55	36 85	1,689 05		308 48
Total Fees Claimed	130,306 75		5,492 00		3,761 00		521,061 25	

Category 2 Disbursements