

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company
Andrew Jones (Pies) Limited

Company number
05373608

In the High Court of Justice, Chancery Division, Leeds District Registry (full name of court)
--

Court case number 647 of 2011

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

I/~~We~~ (a)
Phil Booth
PR Booth & Co
Suite 7
Milner House
Milner Way
Ossett
WF5 9JE

*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) 8 July 2011

Signed



Joint / Administrator(s)

Dated

08/07/11

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 researchers of the public record

Phil Booth
PR Booth & Co
Suite 7
Milner House
Milner Way
Ossett
WF5 9JE

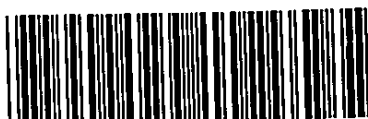
DX Number

01924 263777
DX Exchange

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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09/07/2011
COMPANIES HOUSE

ANDREW JONES (PIES) LIMITED – IN ADMINISTRATION (“THE COMPANY”)

STATEMENT OF THE ADMINISTRATOR’S PROPOSALS PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986

1 Details of Appointment

- | | | |
|-----|--|--|
| 1 1 | Date of appointment | 13 May 2011 |
| 1 2 | Court Reference | High Court of Justice, Chancery Division
Leeds District Registry
No 647 of 2011 |
| 1 3 | Administrator | Philip Booth
PR Booth & Co
Suite 7
Milner House
Milner way
Ossett
WF5 9JE |
| 1 4 | Authorising Bodies | Philip Booth is authorised by the Insolvency Practitioners Association. |
| 1 5 | Appointed by | The appointment was made on the application of the Company’s director pursuant to Paragraph 22(2) of Schedule B1 of the Insolvency Act 1986 (‘IA86’) |
| 1 6 | I can confirm that the EC Regulations on Insolvency Proceedings applies to this report and that the proceedings are main proceedings as defined in Article 3 (1) of the EC Regulations | |

2 Statutory Information

- | | |
|-----|--|
| 2 1 | Under the provisions of the Insolvency Act 1986, the Administrator is required to send to creditors a statement of his proposals for achieving the purposes for which the Administration Order was granted. This document together with its appendices includes all matters which are required to be disclosed under Paragraph 49 of Schedule B1 of the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986, as amended by the Insolvency (Amendment) Rules 2003, and together constitute the Administrator’s statement of proposals to creditors |
| 2 2 | The statutory details of the Company are attached at Appendix A |
| 2.3 | In preparing this report I have relied upon information provided by the management and other third parties and as investigations are continuing into the Company’s affairs it has not been possible to verify all such information |
| 2.4 | I therefore take no responsibility for the completeness or accuracy of this information. However I have, where possible, obtained independent professional advice from agents and solicitors to corroborate the information provided to me |

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3 Background Information

- 3.1 The information below is a summary of the detailed background information provided to creditors in the 'Memorandum Regarding the Sale of Business' which was sent to creditors on 23 May 2011
- 3.2 Andrew Jones (Pies) Limited ("AJP" or "the Company") was formed by Mr Andrew Jones, who for several years had worked as an independent butcher from shops in Brighouse and Huddersfield. During this period Mr Jones developed a pie business which began to grow from production for internal sales via his own shops to production for an array of local butchers.
- 3.3 In 2004 a separate limited company was formed to operate the shops and on 23 February 2005 Andrew Jones (Pies) Limited was formed as the manufacturing arm of the business.
- 3.4 The Company initially operated from leasehold premises on Old Leeds Road, Huddersfield with day to day banking facilities provided by HSBC Bank Plc ('the Bank'). Distribution was gained in Asda Yorkshire stores via Yorkshire Farmers Markets and this was quickly followed by sales to Morrisons via Crofters Limited. Both of these organisations operate as "hubs" to consolidate the deliveries of small local producers.
- 3.5 The Company traded profitably for several years however this initial success was tragically set back by an explosion at the Old Leeds Road premises on 10 April 2009 which brought down the concrete roof onto a member of staff with fatal consequences.
- 3.6 Shortly after the accident Mr Jones was approached by a local firm of Chartered Surveyors who were looking for a tenant for a former cheese manufacturing facility at Queens Mill Industrial Estate, Queens Mill Lane, Lockwood, Huddersfield. In the short term, production was moved back to the shops and a company called Property Rescuers Limited ('PRL') was commissioned to manage the conversion of the new premises into a pie manufacturing facility.
- 3.7 The relationship with PRL is a major reason for the Company's current adverse financial situation. Whilst the insurers were undertaking their normal due diligence and before making any payments, PRL agreed that it would order the equipment and works needed for the conversion and in effect finance the work until the insurance company was in a position to commence payment.
- 3.8 PRL charged a mark up of between 10% and 15% on all purchases plus weekly management fees. In addition PRL also attempted to double invoice certain works, which was eventually spotted by the insurers when they began making payments under the terms of the policy. To exacerbate matters PRL did not then pay suppliers and in order to gain continuation of work Mr Jones agreed to take the debts of certain suppliers on in AJP which meant there was in effect a double hit in the Company's profit and loss account.
- 3.9 The year to 30 April 2009 was the final year in the Old Leeds Road facility. The Company reported a profit before tax of £85,386 on turnover of £997,725.
- 3.10 After the explosion, the Company could not provide sales of frozen product for six months and this was a key element in lost sales. Turnover dropped by over 13% to £863,572 during the next financial year to 30 April 2010. In the last year the Company has seen a continued fall in sales to independent butchers, with many going out of business due to the difficult economic climate.

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- 3 11 Whilst attempts have been made to replace this lost turnover with increased sales to supermarkets, this has been slower than planned partly due to the disruption caused by the explosion and factory move, plus the period of time that supermarket food range reviews take
- 3 12 With the greater percentage of turnover being supermarket sales, the Company's gross profit margin has reduced. As a result, the direct labour costs expressed as a percentage of sales has risen dramatically from 28.5% of sales in 2009 to 40% of sales in 2010. However, a reluctance to make staff redundant after the trauma of the explosion has meant that the Company has been operating at a loss during the period to 31 March 2011.
- 3 13 Faced with increasing pressure from creditors, Mr Jones turned to a business restructuring consultant who, after conducting a detailed review of the business, identified that the Company had been selling selected items to certain supermarkets at a loss, primarily due to increased packaging and labour costs. In order to return the business to profitability and deal with its accrued liabilities, it was estimated that additional funding of c£300,000 would be required.
- 3 14 After an unsuccessful approach to the Bank, potential investors were sought, albeit unsuccessfully, via a corporate finance website. Discreet direct approaches were also made to two potential interested parties, identified by the director, who were also involved in the food industry.
- 3 15 On the assumption that capital or equity investors would not be found in the short term, in order to facilitate a sale of the business more expeditiously, the director instructed Messrs Eddisons, independent agents and valuers, to conduct a valuation of the Company's tangible assets on both a forced sale (ex situ) and going concern (in situ) basis.
- 3 16 Following receipt of a serious expression of interest from one of the potential interested parties, the director and MM approached PR Booth & Co for advice. An initial meeting was subsequently held on 26 April 2011 at which a number of options were considered.
- 3 17 The possibility of looking at a Company Voluntary Arrangement ('CVA') was discussed. It was, however, noted that anticipated future profit levels were insufficient to enable a viable CVA proposal to be put forward. It was also considered that entering into a CVA could be detrimental to the Company's relationship with its customers in contrast to an adequately funded 'Newco' which had acquired the business free of any historic debts.
- 3.18 The Company was now coming under increasing pressure from several key creditors, including the Company's electricity supplier who was threatening to disconnect the supply if payment was not made immediately.
- 3.19 It was therefore agreed that the best course of action was to appoint an Administrator in order to effect a more beneficial realisation of the Company's assets, to ensure continuity of supply to the customers and to preserve the goodwill of the business.

4 Circumstances Giving Rise to the Administrator's Appointment

- 4 1 In the lead up to the appointment of the Administrator, a further potential interested party was approached from PR Booth & Co's database of contacts. The Company is a leading manufacturer in the pre-making industry, with products already in several supermarkets.

ANDREW JONES (PIES) LIMITED – IN ADMINISTRATION (“THE COMPANY”)

- 4 2 Various information was provided to the other potential interested party, with whom the director held several discussions, however no serious expression of interest was subsequently received
- 4 3 In the meantime, the first interested party, The Little Big Food Company Limited ('TLBFCL') was conducting its own due diligence prior to submitting a formal offer for the business and assets of the Company
- 4 4 On 04 May 2011, an offer of £50,000 was received from A J Pies and Pastries Limited ('Newco'), a company formed by the owners of TLBFCL to acquire the business and assets of AJP PR Booth & Co immediately sought advice from Eddisons who confirmed that the offer should be accepted
- 4 5 On 05 May 2011 a Notice of Intention to Appoint an Administrator was filed in Court and served upon the Company's two secured creditors, HSBC Invoice Finance Limited ('HSBCIF') and HSBC Bank Plc ('the Bank')
- 4 6 On 06 May 2011, PR Booth & Co discussed the offer with the Company's two secured creditors. Information regarding whether the events and circumstances leading up to the offer and proposed sale were compliant with the provisions of Statement of Insolvency Practice 16 ('SIP 16') was provided to the Bank
- 4 7 The Bank and HSBCIF subsequently agreed to the proposed Administration and proposed sale of the business
- 4 8 It was concluded that a sale of the business and assets to Newco, shortly after the appointment of the Administrator, was likely to maximise returns to creditors for the following reasons -
- Trading the business in Administration would not have been a realistic proposition as there were no funds available to trade the Company. Also, given that the Company was in arrears with payments to some of its key suppliers and utility providers, it was deemed that ransom payments, retention of title claims and continuity of supply would all be issues if trading continued. There were also accrued rent arrears
 - In light of the above it was considered that the costs of trading the Company in Administration would outweigh the benefits of executing the pre-packaged sale to Newco
 - The Company's assets were valued by Eddisons, a firm of independent valuers and agents, on both a forced sale and going concern basis. The forced sale value of the unencumbered assets was £22,355 plus there was estimated equity of approximately £6,000 in two financed motor vehicles
 - The offer of £50,000 from Newco was therefore significantly in excess of the forced sale valuations of the Company's assets, per the valuation report provided by Eddisons
 - Failure to conclude the sale to Newco would have resulted in the Company being placed into Liquidation, thus crystallising significant additional unsecured claims and reducing the likely realisable value of the Company's tangible assets. In such circumstances, goodwill would have been eliminated and the lack of continuity of the business could have adversely affected the recovery of the Company's book debts
 - A going concern sale to Newco served to eliminate preferential claims for employees' arrears of wages because Newco intended to pay, and subsequently did pay, the

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employees' unpaid wages (totalling c£5,000) in order to maintain the goodwill and uninterrupted trading of the Company's business

- The sale as a going concern also served to eliminate preferential claims for holiday pay and unsecured claims for redundancy and pay in lieu of notice under TUPE regulations
- Following the sale of the business, Newco intended to arrange for the novation of certain hire purchase and lease agreements, thus further reducing potential additional unsecured claims
- The Company's principal secured creditors, HSBC Invoice Finance Limited and HSBC Bank Plc, both consented to the sale, as above
- Eddisons recommended that the offer of £50,000 from Newco should be accepted

4 9 Prior to agreeing the sale to Newco, consultation was held with the secured creditors and release had been obtained from HSBC Bank Plc with regard to their security over the Company's assets

4 10 Accordingly, a sale of the Company's business and assets was made to A J Pies and Pastries Limited ('Newco') before close of business on 13 May 2011

4 11 The total consideration payable by Newco is £50,000, allocated as follows -

Asset	£
Goodwill and contracts	13,499
Intellectual property	1
Plant and equipment	30,000
Stock	2,000
Motor vehicles	4,500
	<u>£50,000</u>

4 12 Prior to the initial meeting held on 26 April 2011 neither myself nor the staff of PR Booth & Co have been professionally involved with either the Company or its Director

5 Purpose of Administration

5 1 In accordance with Paragraph 3 (1) of Schedule B1 of the Insolvency Act 1986, the prioritised objectives of the new Administration regime are as follows:

- 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.

5 2 My assessment of the Company's financial position carried out prior to 13 May 2011 concluded that the Company was insolvent as it could no longer pay its liabilities as and when they fell due.

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5 3 Given that no interested parties could be found to acquire the business as a going concern it was therefore not possible to achieve objective a) above

5 4 When considering purpose b) I concluded that this was achievable but only by way of an immediate sale of the business and assets to Newco. The factors which led me to this conclusion are set out above

6 Conduct of the Administration

6 1 Following the making of the Administration Order the business and assets were sold to Newco for £50,000, as shown above

6 2 The consideration received on completion is £36,501. Payment of the goodwill element of £13,499 is deferred pending the outcome of Newco's negotiations with the HP/leasing companies with regard to the novation of key finance agreements

6 3 A proportion of the consideration has been applied to each agreement based on the importance of the asset to Newco. If Newco is unable to successfully novate a particular agreement, on substantially similar terms to those with AJP, then the corresponding goodwill value attributed to that item will not be paid across

6 4 The maximum timescale during which the novations are to be concluded is 120 days after completion, ie 13 May 2011. No security, personal guarantees or indemnities have been requested in respect of the deferred consideration

6 5 Following my recent discussions with the director of Newco, the majority of agreements have been successfully novated although one is still currently under negotiation. I am, however, optimistic that the full deferred consideration of £13,499 will be paid across within the next few weeks

6 6 I attach an up to date receipts and payment account for your reference at Appendix C

6 7 In addition to the realisations referred to above, I have also received £2,997.60 in respect of outstanding sales ledger balances from the Company's customers. This is currently shown as being split between the fixed and floating charge accounts as the majority relates to factored book debt receipts belonging to HSBC Invoice Finance Limited ('HSBCIF')

6 8 These amounts have not been transferred to HSBCIF as it is understood HSBCIF has recently collected out on the factoring agreement and is holding surplus funds of approximately £7,000. There are further ledger balances of c£8,000 to collect, although several amounts are in dispute. After deducting HSBCIF's termination fees it is anticipated that surplus funds will be transferred across into the floating charge account, together with the balance in the fixed charge account, as mentioned above

6 9 Other than the book debts referred to above, the only other realisable asset is a Volkswagen Polo motor vehicle which was not purchased by Newco. The vehicle was subject to a hire purchase agreement with Black Horse Limited. The vehicle was valued by Eddisons at £4,000 and the outstanding finance as at 23 May 2011 was £1,547.

6 10 Mr Jones has subsequently made an offer to purchase the equity and has settled the outstanding finance. I have agreed that the equity could be paid over two months with the first payment due on 30 June 2011. Whilst not reflected on the attached receipts and payments account I can confirm that the first payment of £1,453 has been received

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7 Future Conduct of the Administration

- 7.1 It is proposed that I will continue to manage the affairs, business and property of the Company in order to achieve the purpose of the Administration. This will include but will not necessarily be limited to
- Realising the outstanding goodwill payment and the remaining book debts
 - Finalising and making payment of any Administration liabilities
 - Agreeing preferential and unsecured creditor claims, where appropriate
 - Dealing with statutory reporting and compliance obligations
 - Conducting investigations into the conduct of the directors/shadow directors of the Company and reporting to the Department of Trade and Industry pursuant to the Company Directors’ Disqualification Act 1986
- 7.2 It is proposed that once the purposes of the Administration have been achieved the Company will be dissolved pursuant to Paragraph 84 of Schedule B1 of the Insolvency Act on the basis that there will be no funds to distribute to unsecured creditors via a Liquidation process

8 Statement of Affairs

- 8.1 An Estimated Statement of Affairs as at 13 May 2011 is attached at Appendix B. The realisable values for the tangible assets reflect the values agreed as part of the sale to Newco
- 8.2 I requested that the Director prepare and submit an Estimated Statement of Affairs to be received within 11 days of my appointment. The Director has recently provided me with an Estimated Statement of Affairs although this has not yet been filed at Companies House

9 Administrator’s Receipts and Payments

- 9.1 A summary of the Administrator’s receipts and payments for the period 13 May 2011 to date is attached at Appendix C

10 Prescribed Part Fund for Unsecured Creditors

- 10.1 In accordance with Section 176A of the Insolvency Act 1986, where a creditor has been granted a floating charge over a company’s assets on or after 15 September 2003, the Administrator must set aside a proportion of the net floating charge realisations for the benefit of unsecured creditors. This is known as the ‘Prescribed Part Fund’ (‘PPF’)
- 10.2 The PPF is calculated as follows:
- 50% of the first £10,000, plus
 - 20% of the balance (to a maximum of £600,000)
- 10.3 Here, there are two floating charge holders, namely HSBC Bank PLC (“the Bank”), whose charge was created on 30 November 2009 and registered on 2 December 2009 and HSBC Invoice Finance Limited (“HSBCIF”) whose charge was created and registered in September 2010. As above, it is known that HSBCIF will make a full recovery under the invoice financing agreement, however it is envisaged that HSBC Bank Plc will not make a full recovery under its charge.

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- 10 4 It will not be possible to accurately calculate the amount of PPF available until all assets have been realised and the claims of the prior charge holders have been settled in full. An estimate of the PPF is included within the Estimated Statement of Affairs but is shown before deducting the costs of Administration.

11 Pre-Administration Costs

- 11 1 In the period before the Company entered administration, the Administrator carried out work advising the Company's director on the various options available to him with particular reference to Administration, marketing the business and assets and dealing with potential interested parties and in determining at that time that it was reasonably likely that the purpose of administration would be achieved.
- 11 2 Attached as Appendix E1 are details of the pre-Administration costs totalling £6,580.00. The Administrator is seeking for the unpaid professional costs to be paid as an expense of the Administration. Pursuant to Rule 2.67A of the Insolvency Rules 1986, approval to pay the unpaid costs as an expense is required from the Creditors' Committee or, in the absence of a Committee, or if the Committee does not make a determination, by way of a resolution from the creditors.
- 11 3 As it is unlikely that a distribution will be made to unsecured creditors other than by virtue of Section 176A (2) of the Insolvency Act 1986, my costs must be approved by the secured and preferential creditors pursuant to Rule 2.106(5A) of the Insolvency Rules 1986.
- 11 4 I instructed Irwin Mitchell Solicitors to advise me in this matter. I chose Irwin Mitchell due to their experienced knowledge of insolvency matters. Their charges are on the basis of time properly spent dealing with the specific issues arising in this matter. Specifically, they were principally responsible for dealing with the preparation of all documentation for the appointment of the Administrator and the preparation of the contract regarding the sale of the business and assets. I have received confirmation that their total charges to date are £13,487.50, the majority of which relates to pre-appointment matters (split between pre- and post-appointment time awaited). I propose that such costs are also paid as an expense of the Administration.
- 11 5 Prior to my involvement, Eddisons Commercial Limited, Agents and Valuers were instructed by the Company to deal with the valuation of the business and assets. Their costs were paid by the Company prior to my appointment, therefore they have no outstanding time costs on this matter.

12 Administrator's Remuneration

- 12 1 The statutory provisions relating to remuneration are contained in Rule 2.106 of the Insolvency Rules 1986, as amended by the Insolvency (Amendment) Rules 2003. A guide to Administrator's fees is attached at Appendix D (amended April 2010) for your information.
- 12 2 I have yet to draw any fees for acting as Administrator, as these require the approval of the secured creditor, HSBC Bank Plc. My firm's total time charges to 31 May 2011 of £2,875.00 are summarised at Appendix E2 along with a list of the firm's charge out rates at Appendix F.
- 12 3 I propose that my remuneration for acting as Administrator be charged by reference to time necessarily incurred by myself and my colleagues, at the firm's designated charge out rates up to the date of my release. Such remuneration to be drawn as and when funds are available and without further reference to creditors.

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- 12 4 It should, however, be noted that as there would appear to be insufficient funds available for distribution to unsecured creditors other than by virtue of section 176A (2) of the Insolvency Act 1986, my fees must be approved by the secured and preferential creditors pursuant to Rule 2 106(5A) of the Insolvency Rules 1986

13 Administrator’s Disbursements

- 13 1 Details of the rates at which disbursements are charged are attached at Appendix F
- 13 2 Category 1 disbursements (a simple reimbursement of actual payments made on behalf of the assignment which do not require creditor approval) currently outstanding are as follows -

	£
Company Search	7 00
Postage	35 10
Insolvency Bond	300 00
	<hr/>
	342 10

- 13 3 Category 2 disbursements (charges including an element of shared or allocated costs which require creditor approval) currently outstanding are as follows -

	£
Faxes/Photocopying	94 50
	<hr/>
	94 50

- 13 4 I propose that I should be able to charge my Category 2 disbursements as an expense of the Administration

14 Administrator’s Proposals

- 14 1 I am required to set out my proposals for achieving the purpose of the Administration which in this context means achieving one of the objectives specified in Paragraph 3 of Schedule B1 IA 86, as outlined in Section 5 above
- 14 2 For the reasons set out above and with reference to my circular letter to creditors dated 23 May 2011, I consider that the most appropriate objective was to pursue that specified in Paragraph 3(1)(b) of Schedule B1 IA86, namely I believe I have achieved a better result for creditors as a whole than would be likely if the Company were wound up
- 14.3 As a result of achieving that purpose I have also complied with the objectives specified in Paragraph 3(1)(c) namely realising property in order to make a distribution to one or more secured or preferential creditors
- 14 4 I furthermore consider that pursuing these objectives has not unnecessarily harmed the interests of the Company’s creditors as a whole
- 14.5 I consider that, by concluding a sale of the Company’s assets, I have achieved the objectives set out above. However, in order to fully achieve the purpose of Administration I propose to remain in office in order to conclude the realisation of the Company’s property and make a distribution of funds to the secured and, if applicable, preferential creditor(s)

ANDREW JONES (PIES) LIMITED – IN ADMINISTRATION ("THE COMPANY")

14 6 In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986, I make the following proposals for achieving the purpose of the Administration Order to the creditors of the Company for consideration I propose that -

14 6 1 I will continue to manage the business, affairs and property of the Company with a view to achieving the purposes set out in the Administration Order and do all other such things and generally exercise all of my powers as Administrator as I consider desirable or expedient at my discretion in order to achieve the purpose of the Administration, to protect and preserve the assets of the Company, to maximise the realisations of those assets or for any other purpose incidental to these proposals

14 6 2 I will continue to collect the outstanding book debts with the assistance of debt collection agents if appropriate

14 6 3 I will realise any other assets that may come to my attention during the course of the Administration

14 6 4 I be permitted to charge fees on a time cost basis and be authorised to draw fees on account

14 6 5 I be authorised to charge disbursements to the case which include elements of shared or allocated costs ('Category 2' disbursements), such disbursements to be charged from time to time

14 6 6 I be authorised to receive payment in the sum of £6,580 00 plus disbursements and VAT in respect of my assistance with the making of the appointment, marketing the business and assets and dealing with potential interested parties and in determining at that time that it was reasonably likely that the purpose of administration would be achieved

14 6 7 I be permitted to appoint and retain agents and solicitors of my choice

14 6 8 I will, if appropriate, seek permission of the Court to make a distribution to unsecured creditors of the Company pursuant to Paragraph 65 of Schedule B1 of IA86

14 6 9 Once the purposes of the Administration have been achieved the Company be dissolved pursuant to Paragraph 84 of Schedule B1 IA86 and that I be discharged from liability in accordance with Paragraph 98 of Schedule B1 IA86

15 Creditors' Meeting

15 1 On present information I consider it is likely that there will be insufficient funds to enable a dividend to be paid to unsecured creditors, other than by virtue of section 176A(2) of the Insolvency Act 1986, due to the magnitude of fixed and floating charge holder claims

15.2 In accordance with Paragraph 52 of Schedule B1 to the Insolvency Act 1986, a meeting of creditors will not be held unless 10% in value of the Company's creditors request it by completing and returning form 2.21B attached at Appendix G within 12 days

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15 3 The expenses of convening any such creditors' meeting shall be borne by the creditor requesting it unless it is resolved at the meeting that the expenses should be payable out of the assets of the Company

15 4 In the absence of a meeting being called, the proposals detailed in this report will be deemed to be accepted

16 Report on Conduct of Directors

16 1 I have a duty under the Company Directors' Disqualification Act 1986 to investigate the conduct of all directors/shadow directors in the three years prior to our appointment. The report must be submitted to the Department of Trade and Industry ('DTI') within six months of my appointment

16 2 The report is a confidential document between myself and the DTI and will not be made available for public inspection

16 3 If you consider that there are any matters which should be brought to my attention for the purposes of completing the conduct report, please forward written details as soon as possible

17 Exit from Administration

17 1 As mentioned above, on present information I consider that the Company will have insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of section 176A (2) of the Insolvency Act 1986


17 2 Consequently, as soon as I am satisfied that I have fully discharged my duties as Administrator and that the purpose of the Administration has been achieved, I propose to implement the provisions of Paragraph 84 of Schedule B1 IA86 and apply for the Company to be dissolved

17 3 Under these provisions, on the registration of a notice sent by me to the Registrar of Companies, my appointment ceases to have effect, and at the end of a period of three months the Company will be automatically dissolved

18 General

18 1 Should you have any queries regarding the proposals or any of the enclosures, please do not hesitate to contact me

Dated: 08 July 2011

Signed: 
Philip Booth
Administrator

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Appendix A – Statutory Information

Court Details	High Court of Justice, Chancery Division, Leeds District Registry No 647 of 2011		
Trading name and address	Andrew Jones (Pies) Limited Units 2,3 & 4 Queens Mill Industrial Estate Queens Mill Lane Lockwood Huddersfield HD1 3RR		
Registered office	c/o PR Booth & Co Suite 7, Milner House Milner Way Ossett West Yorkshire WF5 9JE Formerly. Units 2,3 & 4 Queens Mill Industrial Estate Queens Mill Lane Lockwood Huddersfield HD1 3RR		
Directors	Mr Andrew Robert Jones		
Secretary	Mrs Linda Margaret Jones		
Shareholders			Shares Held
	Mr AR Jones	Ordinary	100
Accountants.	Metcalfes Accountants & Business Advisors		
Bankers/Financiers	HSBC Bank Plc HSBC Invoice Finance (UK) Limited		

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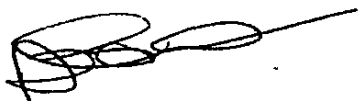
Appendix B – Director's Statement of Affairs

Andrew Jones (Pies) Limited

Page 1

Statement of Affairs**ASSETS**

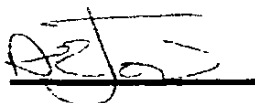
	Notes	Book Value £	Estimated to
Assets subject to fixed charge			
Trade debtors at 13 May 2011		14163	10000
Amount due to HSBC Invoice Finance		0	0
Surplus		14163	10000
Goodwill	1	15500	15500
Amount due to HSBC Bank	2	-105965	-105965
Deficiency as regards HSBC Bank		-76301	-80465
Plant and Machinery	3	20337	9250
Amount owing to Investec		-11643	-11643
Surplus/(Deficiency) re Investec		8694	-2393
Plant and Machinery	4	35331	8000
Amount owing to ING		-18082	-18082
Surplus/(Deficiency) re ING		17249	-10082
Plant and Machinery	5	24404	8500
Amount owing to Packley		-13733	-13733
Surplus/(Deficiency) re Packley		10671	-5233
Motor Vehicle	6	4437	4500
Amount owing to Gray Adams		-1498	-1498
Surplus re Gray Adams		2940	3003
Assets subject to floating charge			
Plant and Machinery F& F Office Equipment	7	227014	30000
Motor Vehicle	8	4414	4414
Stock	9	2000	2000
Bond	10	4095	4095
VAT refund	11	11574	0
Surplus re Gray Adams	12	3003	3003



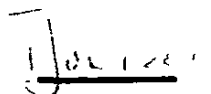
HSBC Invoice Finance surplus	13	5663	0
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Estimated total assets available for preferential creditors		257762	43511
---	--	--------	-------

Signature



Date



Andrew Jones (Pies) Limited

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Statement of Affairs

Liabilities

Preferential creditors			0
------------------------	--	--	---

Estimated surplus after preferential creditors			43511
--	--	--	-------

Prescribed part of net property	13		11702
---------------------------------	----	--	-------

Estimated total assets available for floating charge creditors			31809
--	--	--	-------

Deficiency regarding HSBC Invoice Finance B/D			0
---	--	--	---

Deficiency regarding HSBC Bank PLC b/d			-76301
--	--	--	--------

Estimated surplus/(deficiency) regarding HSBC			-44492
---	--	--	--------

Prescribed part fund b/d			11702
--------------------------	--	--	-------

Unsecured Non Preferential creditors

HM Revenue & Customs (PAYE Liability Estimate)	14		-62022
--	----	--	--------

Accruals			-9558
----------	--	--	-------

Loan AR Jones Butchers Limited			-13696
--------------------------------	--	--	--------

Directors loan account			-14875
------------------------	--	--	--------

Trade creditors			-279658
-----------------	--	--	---------

Deficiency re Investec			0
------------------------	--	--	---

Deficiency re ING			0
-------------------	--	--	---

Deficiency re Packley			0
-----------------------	--	--	---

Estimated deficiency as regards non preferential creditors			-368106
--	--	--	---------

Estimated deficiency as regards HSBC Bank PLC b/d			-44492
---	--	--	--------

Estimated deficiency as regards creditors			-412599
---	--	--	---------

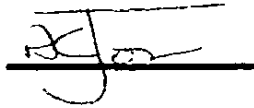
Issued and Called Up Share Capital

-100

Total Deficiency

-412699

Signature



Date

11 Jun 2001

Andrew Jones (Pies) Limited

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Statement of Affairs

Notes

1 Goodwill stated at amount paid by AJ Pies and Pastries Limited

2 Amount owed to HSBC Bank

Overdraft	-12631
EFG	<u>-93333</u>
	<u>-105965</u>

3 P & M on HP with Investec

Depositor	6375
Mixer Grinder	9498
Paste/Meat Divider	<u>4464</u>
	<u>20337</u>

4 P & M on HP with ING

Oven	35331
------	-------

5 P & M on HP with Packley

Utensil Washer	12271
Two Flap Sealer	<u>12133</u>
	<u>24404</u>

6 Motpr Vehicle on HP with Gray Adams

Volkswagen Van	4437
----------------	------

7 Plant and Machinery F& F Office Equipment

Fixed assets at NBV 227014

8 Motor Vehicle

VW Polo at NBV 4414

9 Stock

Amount paid by AJ Pies and Pastries Ltd

10 Bond

Advance payment to CRS re rent of equipment

11 VAT refund

Assumed HMRC will contra against PAYE owing - see below

12 Surplus re Gray Adams

Not acquired by AJ Pies and Pastries Ltd - estimated NRV

13 HSBC Invoice Finance Surplus

Assumed consumed by termination fees

14 Prescribed part

	NRV
First £10000 @50%	5000
50% of balance over £10000	6702
	<u>11702</u>

15 H M Customs and Revenue

PAYE Arrears -62022

Signature



Date

1/7/2011

Andrew Jones (Ples) Limited

B Company Creditors

note: You must include all creditors and identify creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of

Realise

NAME	ADDRESS	BALANCE
Abbey Glen Limited	Bentley Road , , Doncaster , , DN5 9TJ	2,632 07
Acadian Engineering Ltd	Unit 1c, West Mains Ind Estate , Grangemouth , Stirlingshire , FK3 8YE	894 32
AES	Crossbush Cottage , , Riccarton , Kilmarnock , KA1 5LN	797 58
ARC Retail Consultancy Ltd	Village Farm , Catton , Nr Thirsk , , YO7 4SQ	3,630 32
Arrow Readydrive	Grove Garage , Guy Edge , Linthwaite , HD7 5TQ ,	1,800 00
Atkinson Bailey Consultants Ltd	12 Felsted , Heaton , Bolton , BL1 5EY ,	13,952 26
BAKO North Western Ltd	74 Roman Way Industrial Estate , Longridge Road , Preston , Lancashire , PR2 5BE	1,959 54
Bare Earth Ltd	8 Hallikeld Close , Baker Business Park , Melmerby , North Yorkshire , HG4 5GZ	8,777 25
Barrett Business Machines Ltd	Newton House , Newton , Honley , Huddersfield , HD9 6PQ	293 96
J C Bates & Son Ltd	Wellholme Garage , Bradford Road , Brighouse , , HD6 4AA	-224 70
BFP Wholesale Limited	Goodhope Close , Off Ripley Drive , Normanton , West Yorkshire , WF6 1TR	4,142 12
British Gas	P O Box 254 , , Camberley , Surrey , GU15 3WA	2,767 41
Bronte Water Coolers Ltd	Bridge Works , Woodhead Road , Honley , Huddersfield , HD9 6PW	134 40
B's Plumbing & Heating Contractor	Unit 12 Denard Industrial Estate , Tanyard Road , Milnsbridge , Huddersfield , HD3 4NB	4,775 27
Carnevale	Poplar Street , Moldgreen , Huddersfield , West Yorkshire , HD5 9AY	11,250 00
Chris Adamson	Wholesale Butcher , St Enochs , Headlands Road , Liversedge , WF15 6PR	6,642 42
Chubb Fire Limited	400 Ballow Road , , Luton , , LU1 1UR	224 40
C J Stern (Oils) Ltd	70-72 Market Street , Paddock , Huddersfield , HD1 4SH ,	3,076 77
Clarke Meats Ltd	Allen Row , The Triangle , Paddock , Huddersfield , HD1 4RR	1,314 24
Crofter's Foods Ltd	Seamer Hill Farm , , Seamer , Stokesley , TS9 5NQ	495 35
CRS Rent A Fridge Ltd	Arctic House , Carnisle , Kildalkey , Co Meath ,	2 599 98
Cryer & Stott	5 Weir View , , Castleford , West Yorkshire , WF10 2SF	269 85
Debnar Ltd	Debnar House , Navigation Close , Off Lacy Way , Lowfields Business Park , Elland , IX5 9HB	4,038 93
Debt Collection Services UK Ltd	Nunbrook House , 334 Huddersfield Road , Mirfield , West Yorkshire , WF14 9DQ	138 96

15/11/11

Andrew Jones (Pies) Limited

B Company Creditors

note: You must include all creditors and identify creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of

Trade Creditors b/f

Microsearch Laboratories Ltd	Unit 11, Moderna Business Park,, Mytholmroyd, Halifax, HX7 5QQ	176,473.90
Milling & Baking Products Limited	Witton House, Witton Le Wear, Bishop Aukland, Co Durham, DL14 0AZ	720.00
New Dawn Resources Ltd	Office L, Second Floor, Bridge Mills, Huddersfield Road, Holmfirth, HD9 3TW	10,922.56
Normanhall Ltd	1 Commercial Road, Skelmanthorpe, Huddersfield, HD8 9AA,	480.00
Norpak Ltd	3 Mitre Court, Cutler Heights Lane, Bradford, West Yorkshire, BD4 9JY	2,649.90
N Power	Payment Processing Centre, PO Box 263, Leeds, West Yorkshire, LS14 9AN	150.00
Ossett Brewing Co.	Kings Yard, Low Mill Road (Off Healey Road), Ossett, West Yorkshire, WF5 8ND	38,502.10
Packaging World Ltd	Holme Iron Works, Holmes Road, Sowerby Bridge, HX6 3LF,	958.74
Panaramix Ltd	13 St Matthew's Street, Ipswich, Suffolk, IP1 3EL	1,028.85
PDK Engineering Support Ltd	174 Leeds Road, Newton Hill, Wakefield, WF1 2QA,	35.25
N J Pinches	83 Leeds Road Bramhope Leeds LS16 9BE	554.40
PKL Group (UK) Ltd	Stella Way, Bishops Cleeve, Cheltenham,, GL52 7DQ	22.50
Plant Access and Tool Solutions Ltd	146a Wakefield Road, Ossett, Wakefield, West Yorkshire, WF5 9AR	220.24
P M Wadsworth	1 Storth View, Old Anleys, Elland, HX5 9JT,	1,555.20
Property Rescuers	Hilltop, 3 Love Lane, Pontefract, West Yorkshire, WF8 4AB	560.00
Refrigeration Specialists	Unit 3D, Spa Fields Industrial Estate, Slaithwaite, Huddersfield, HD7 9BB	8,821.19
Regional Food Group	1-2 Grimston Grange, Sherburn Road, Tadcaster, North Yorkshire, LS24 9BX	3,693.15
Reynards (UK) Ltd	Greengate, Middleton, Manchester, M24 1RU,	504.00
Richard Hardy Limited	9A New Street, Milnsbridge, Huddersfield, HD3 4LN,	2,138.63
Round Green Farm	Venison Company, Round Green Farm, Worsbrough, Barnsley, S75 3DR	163.49
Securetrading Inspiring Trust	European Operations Centre, Parc Menai, Bangor, Gwynedd, LL57 4BF	95.89
Shaws of Huddersfield	Silver Street, Off Wakefield Road, Huddersfield, West Yorkshire, HD5 9AF	118.11
Shop & Bakery Equipment Ltd	Adelaide Street, Halifax, West Yorkshire, HX1 4LY,	70.00
Venture Factors	PO Box 624,, Haywards Heath,, RH16 1WW	15,981.95
		1,000.22

Detectamet Ltd	Unit 55 Halifax Way ,Pocklington Ind Est ,Pocklington, York ,YO42 1NR	281 90
Enterprise Solutions Training Ltd	Folly Hall Mills ,Waterfront Quarter ,Chapel Hill ,Huddersfield ,HD1 1LS	223 84
ESTL Ltd	Folly Hall Mills , ,Huddersfield ,West Yorkshire ,HD1 3LS	95 25
European Packaging Distributors Ltd	Unit 3, Uppercroft Mills ,Martrree Business Park ,Bowling Back Lane ,Bradford ,BD4 8TG	1,715 04
Evans and Co Communications Ltd	12 Stratton Close , ,Brighouse ,West Yorkshire ,HD6 3SW	525 00
Gordon Rhodes & Son	PO Box 1203 ,Bradford ,BD5 8WE , ,	8,677 31
Gray & Adams (Doncaster) Ltd	York Road , ,Doncaster , ,DN5 9EL	224 70
Holchem Laboratories Ltd	Premier House ,175 Grane Road ,Haslingden ,Rossendale ,Lancashire BB4 5ER	943 32
HSBC Merchant Services	51 De Monfort Street Leicester LE1 7BB	25 00
Huddersfield Exhaust Centre	13 Lower Fitzwilliam Street , ,Huddersfield ,West Yorkshire ,HD1 6BA	345 77
Huddersfield Giants Ltd	The Galpharm Stadium ,Stadium Way ,Leeds Road ,Huddersfield ,HD1 6PG	1,175 00
The Individual Agency	Heritage Exchange ,Wellington Mills ,Plover Road ,Lindley ,Huddersfield ,HD3 3BZ	6,005 78
The Industrial Superstore	11-15 Bridge Street ,Lockwood ,Huddersfield , ,HD4 6EL	17 62
Ing Lease (UK) Ltd	60 High Street ,Redhill ,Surrey , ,RH1 1NY	35 25
The Inkreadible Label Company	11 Chatto Way ,Torquay ,Devon , ,TQ1 4UE	529 05
Interbake Ltd	Unit 2 Bridge Mills ,Rochdale Road ,Edenfield ,Bury ,BL0 0RE	125 33
Invent Ltd	High Street ,Gawthorpe ,Ossett ,West Yorkshire ,WF5 9RB	500 00
Investec Asset Finance plc	Windrush Court ,Blacklands Way ,Abingdon ,Oxfordshire ,OX14 1SY	-2,982 33
IPC Media Ltd	The Blue Fin Building ,110 Southwark Street ,London , ,SE1 0SU	5 00
J & E Computers Ltd	Brighouse Computer Centre ,3 Owlerrings Road ,Brighouse ,West Yorkshire ,HD6 1EJ	31 54
John L Lord & Son (Rizistal) Ltd	Wellington Cement Works ,Ainsworth Road ,Bury ,Lancashire ,BL8 2RS	2,500 00
John Penny & Sons	Low Green Farm ,40 Leeds Road ,Rawdon ,Leeds ,LS19 6NU	49,994 71
Kentmere Packaging Ltd	,Staveley ,Kendal ,Cumbria ,LA8 9PB	16,663.08
Kirklees M C - Refuge A/c	Trade Refuse Service ,Riverbank Court ,Wakefield Road ,Aspley ,Huddersfield ,HD5 9AA	-3,975 96
Kirklees Council / Unit 19	Unit 19 Queens Mill Est , , , ,	-3,490 17
Kirklees Council - Units 2,3 & 4	Revenues & Benefits Service ,Business Rates ,Selectapost 4 ,Civic Centre 1 ,Huddersfield HD1 2XD	9,471 00
Kirklees Council Unit 5	Revenues & Benefits Service ,Business Rates ,Selectapost 4 ,Civic Centre 1 ,Huddersfield HD1 2XD	1,930 10
Leeds Bacon Co. (1977) Ltd	102-106 Henconner Lane ,Bramley ,Leeds ,West Yorkshire ,LS13 4LG	1,413 95
Machinery Ltd	G6 Mercia Way ,Foxhills Industrial Park ,Scunthorpe ,North Lincolnshire ,DN15 8RL	552 00
Metcalfes	1-3 St Mary's Place ,Bury ,Lancashire ,BL9 0DZ ,	6,533 12
Trade Creditors c/f		176,473 90

Taylors Solicitors	Rawlings House, Exchange Street, Blackburn, , BB1 7JN	108 00
TIC Electrical	17 Cottam Croft, Hemsworth, Pontefract, , WF9 4HU	299 10
Total Bakery Engineers Ltd	Unit 3B Forge Way, Brown Lees Industrial Estate, Off Brown Lees Road, Stoke - On - Trent, ST8 7DN	62 62
Total Insulation Services Ltd	110 Oxford Street, Cleethorpes, , North East Lincolnshire, DN35 0BL	4,500 00
Unicom	Universal House, Longley Lane, Manchester, , M22 4SY	0 28
Vodafone	Towers Business Park, Wilmslow Road, Didsbury, Manchester, M20 2RY	287 14
Walker Humphrey Ltd	15 Seafox Court, Hurricane Way, Sherburn Enterprise Park, Sheburn in Elmet, LS25 6PL	3,969 60
William Reed Business Media	Unit 12-13 Cranleigh Gardens Ind Est, , Southall, , UB1 2DB	-44 50
W R Wright & Sons Limited	110-118 Cherry Lane, Liverpool, L4 8SF, ,	1,238 69
Yorkshire Farmers Market Ltd	Village Farm, Catton, Thirsk, , YO7 4SQ	43 50
Yorkshire Water	P O Box 52, , Bradford, , BD3 7YD	1,009 58
Total Trade Creditors		279,658 06
Loan account A R Jones Butchers	3 New Hey Road, Marsh, Huddersfield, HD3 4AQ, ,	13,696 49
HMCRC - PAYE 072 P 171227	Debt Technical Office, MaRKHAM House, Markham Road, Chesterfield S40 1SR	62,021 52
Investec Asset Finance plc,	32 Queens Square Bristol BS1 4ND	11,643 01
ING Lease (UK) Ltd	60 High Street, Redhill, Surrey, RH1 1NY	18,081 67
Packley Leasing	587 Ormskirk Road, Pemberton, Wigan WN5 8AG	13,733 33
Santander	3 Princess Way, Redhill, Surrey, RH1 1SR	1,497 50
Hermes Group Limited Lease Singers Assr	Singers House, Dorking Business Park, Station Road, Dorking RH4 1HJ	4,837 78
Black Horse Leasing	Central Processing 1st Floor, ST Williams House, Tresillian Terrace Cardiff CF10 5BH	1,239 58
Arkle Finance	52-60 Sanders Road Wellingborough Northamptonshire NN8 4BX	12,500 00
GAM General Assett Management	Po Box 693, Haywards Heath, RH16 9DS	7,024 72
Kingsway Asset Finance	Barons Court, Manchester Road, Wilmslow, Cheshire SK9 1BQ	11,645 30

437 578 95

Grand Total

Signature

Date



ANDREW JONES (PIES) LIMITED – IN ADMINISTRATION (“THE COMPANY”)

**Appendix C – Administrator’s Abstract of Receipts & Payments
to 6 June 2011**

Andrew Jones (Pies) Limited
(In Administration)

Administrator's Abstract of Receipts and Payments
To 06/06/2011

S of A (Est to Realise) £	<u>Receipts</u>	Fixed Charge £	Floating Charge £	Total £
10,000 00	Book Debts	2,018 44	979 16	2,997 60
5,663 00	Surplus from Factoring Co		0 00	0 00
13,499 00	Goodwill and Contracts		0 00	0 00
1 00	Intellectual Property		1 00	1 00
30,000 00	Plant & Equipment		30,000 00	30,000 00
2,000 00	Stock		2,000 00	2,000 00
4,500 00	Motor Vehicles		4,500 00	4,500 00
	Bank Interest Gross		0 12	0 12
		<hr/>	<hr/>	<hr/>
		2,018 44	37,480 28	39,498 72
	<u>Payments</u>			
		<hr/>	<hr/>	<hr/>
		0 00	0 00	0 00
	BALANCE	<hr/>	<hr/>	<hr/>
		2,018 44	37,480 28	39,498 72

ANDREW JONES (PIES) LIMITED – IN ADMINISTRATION (“THE COMPANY”)

APPENDIX D – A CREDITORS’ GUIDE TO ADMINISTRATORS’ FEES

Where petition presented or appointment made on or after 15 September 2003

ENGLAND AND WALES

1 Introduction

- 1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator’s fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees, explain the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.

2 The nature of administration

- 2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:
- rescuing the company as a going concern, or
 - achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,
- or, if the administrator thinks neither of these objectives is reasonably practicable
- realising property in order to make a distribution to secured or preferential creditors

3 The creditors’ committee

- 3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator’s remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator’s remuneration

- 4.1 The basis for fixing the administrator’s remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed

- as a percentage of the value of the property which the administrator has to deal with,
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the administrator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the administrator.

It is for the creditors’ committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied, and where it is a set amount, April 2010 to determine that amount. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case,
- any responsibility of an exceptional kind or degree which falls on the administrator,
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the property which the administrator has to deal with

- 4.2 If there is no creditors’ committee, or the committee does not make the requisite determination (and provided the circumstances described in paragraph 4.3 do not apply), the administrator’s remuneration may be fixed by a

ANDREW JONES (PIES) LIMITED – IN ADMINISTRATION ("THE COMPANY")

resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator, but the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment.

- 4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets. In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of –

- each secured creditor of the company, or
- if the administrator has made or intends to make a distribution to preferential creditors –
 - each secured creditor of the company, and
 - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval, having regard to the same matters as the committee would. Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

- 4.4 A resolution of creditors may be obtained by correspondence.

5 Review of remuneration

- 4.1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 Approval of pre-administration costs

- 6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Details of such costs must be included in the administrator's proposals.
- 6.2 Where there is a creditors' committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be April 2010 insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator's remuneration.
- 6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.

7 What information should be provided by the administrator?

7.1 When seeking remuneration approval

- 7.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on

- the nature of the approval being sought,
- the stage during the administration of the case at which it is being sought, and
- the size and complexity of the case.

- 7.1.2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

ANDREW JONES (PIES) LIMITED – IN ADMINISTRATION (“THE COMPANY”)

7.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent
- The reasons for subsequent changes in strategy
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement
- Any existing agreement about fees
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

7.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

7.2 After remuneration approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 8.1 below). Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 7.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 7.1.4 above regarding work which has been sub-contracted out.

7.3 Disbursements and other expenses

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements, but there is provision for the creditors to challenge them, as described below. Professional guidance

ANDREW JONES (PIES) LIMITED – IN ADMINISTRATION (“THE COMPANY”)

issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

8 Progress reports and requests for further information

8.1 The administrator is required to send a progress report to creditors at 6-monthly intervals. The report must include

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period,
- the date of approval of any pre-administration costs and the amount approved,
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the administrator's remuneration and expenses.

8.2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

8.3 The administrator must provide the requested information within 14 days, unless he considers that

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days of the administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

9 Provision of information – additional requirements

The administrator must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company. The information which must be provided is –

- the total number of hours spent on the case by the administrator or staff assigned to the case,
- for each grade of staff, the average hourly rate at which they are charged out,
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office. The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office.

10 What if a creditor is dissatisfied?

10.1 If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court.

10.2 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing.

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10.3 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration.

11 What if the administrator is dissatisfied?

11.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate, he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court, he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

12 Other matters relating to remuneration

12.1 Where there are joint administrators, it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.

12.2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

12.3 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made.

12.4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them.

13 Effective date

This guide applies where a company enters administration on or after 6 April 2010, except where

- the application for an administration order was made before that date, or
- where the administration was preceded by a liquidation which commenced before that date

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Appendix E

- **Administrator’s Pre-Appointment Time Costs to 13 May 2011**
- **Administrator’s Post Appointment Time Costs to 31 May 2011**

Appendix E2

Andrew Jones (Ples) Limited - In Administration

Summary of Administrator's Pre-Appointment Time Costs to 13 May 2011

Classification of Work	Insolvency Practitioner	Senior Manager	Manager	Senior Administrator	Administrator	Support	Total Hours	Time Cost £	Average Rate/hr £
Hourly Rate (£/hr)	From 20/07/09	185.00	150.00	100.00	75.00	50.00	35.00		
Brought forward costs									0.00
Administration, Planning & Statutory Matters							0.00	0.00	0.00
Investigations							0.00	0.00	0.00
Realisation of Assets							0.00	0.00	0.00
Creditors							0.00	0.00	0.00
Pre-Appointment Costs	29.00	8.10					37.10	6,580.00	177.36
Total Hours	29.00	8.10	0.00	0.00	0.00	0.00	37.10		
Time Costs (£)	5,365.00	1,215.00	0.00	0.00	0.00	0.00		6,580.00	177.36

Andrew Jones (Ples) Limited - In Administration

Summary of Administrator's Time Costs to 31 May 2011

13 May 2011 to 31 May 2011

Classification of Work		Insolvency Practitioner	Senior Manager	Manager	Senior Administrator	Administrator	Support	Total Hours	Time Cost £	Average Rate/hr £
Hourly Rate (£/hr)	From 20/07/09	185 00	150 00	100 00	75 00	50 00	35 00			
Brought forward costs										0 00
Administration, Planning & Statutory Matters		7 00	0 60			2 40		10 00	1 505 00	150 50
Investigations								0 00	0 00	0 00
Realisation of Assets		5 50						5 50	1,017 50	185 00
Creditors		1 50				1 50		3 00	352 50	117 50
Total Hours		14 00	0 60	0 00	0 00	3 90	0 00	18 50		
Time Costs (£)		2,590 00	90 00	0 00	0 00	195 00	0 00		2 875 00	155 41

Standard activity

Examples of work

Administration and planning

Case planning
 Administrative set up
 Appointment notification
 Maintenance of records
 Statutory reporting
 Annual and internal reviews

Investigations

SIP 2 review
 Investigating antecedent transactions
 Directors Conduct Report

Realisation of assets

Identifying, securing, insuring assets
 Retention of title
 Debt collection
 Property, business and asset sales

Creditors

Communication with creditors
 Creditors' claims (including employees' and other preferential creditors')

ANDREW JONES (PIES) LIMITED – IN ADMINISTRATION
("THE COMPANY")

Appendix F – Schedule of Office Holder's Disbursements and Normal charge-out Rates

A schedule of PR Booth & Co charge out rates effective from 20 July 2009 is as follows -

Time incurred by	Rate per hour £
Insolvency Practitioner	£ 185
Insolvency Senior Manager	£ 150
Insolvency Manager	£ 100
Senior Administrator	£ 75
Administrator	£ 50
Support Staff	£ 35

The charge out rates are subject to periodic reviews and change

In cases of exceptional complexity, the insolvency practitioner reserves the right to obtain authority from the committee or the creditors that their remuneration shall be fixed as a percentage of the value of the assets, which are realised or distributed, or both

An analysis of time costs incurred will be provided to creditors under the following areas of activity

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

Disbursements

There are two types of disbursements, direct disbursements (known as category one) and indirect disbursements (known as category two)

i) Category 1

Category one disbursements do not require approval by creditors. Typically, these include external supplies of incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel and external printing, room hire, insolvency bond and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Postage, room hire and the insolvency bond are charged out at the actual rate incurred. Travel is charged at 40 pence per mile or the actual fare incurred if using public transport (eg train).

ii) Category 2

Category two disbursements do require creditor approval and include elements of shared or allocated costs.

Photocopying is charged at 15 pence per copy.

Internal room hire is charged at £50 per hour (minimum charge £50; maximum charge £150).

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Appendix G – Form 2.21B Creditors Request for Meeting

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company

Andrew Jones (Pies) Limited

Company number

05373608

In the
High Court of Justice, Chancery Division, Leeds
District Registry

(full name of court)

Court case number
647 of 2011(a) Insert full
name(s) and
address(es) of
administrator(s)~~I/We~~ (a)
Phil Booth
PR Booth & Co
Suite 7
Milner House
Milner Way
Ossett
WF5 9JE*Delete as
applicableattach 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) 8 July 2011

Signed


Joint / Administrator(s)

Dated

08/07/11

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
formThe contact information that you give
will be visible to researchers of the
public recordPhil Booth
PR Booth & Co
Suite 7
Milner House
Milner Way
Ossett
WF5 9JE

DX Number

01924 263777
DX ExchangeWhen 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

Creditor's request for a meeting

Name of Company

Andrew Jones (Pies) Limited

Company number

05373608

In the High Court of Justice, Chancery Division, Leeds District
Registry

[full name of court]

Court case number

647 of 2011

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

I (a) _____

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

request a meeting of the creditors of (b)

(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) _____

(e) Insert details of the
purpose of the meeting

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

The purpose of the meeting is (e)

Signed _____

Dated _____