

The Insolvency Act 1986

**2.17B****Statement of administrators' proposals**

Name of Company

LA Elwell Limited

Company number

05918201

In the  
High Court, Birmingham District Registry, Chancery  
Division

[full name of court]

Court case number  
8422 of 2009We Andrew Stephen McGill  
KPMG LLP  
2 Cornwall Street  
Birmingham  
B3 2DL  
United KingdomMark Jeremy Orton  
KPMG LLP  
2 Cornwall Street  
Birmingham  
B3 2DL  
United Kingdom

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

A copy of these proposals was sent to all known creditors on 19 August 2009

Signed



Joint Administrator

Dated

19 August 2009

**Contact Details:**

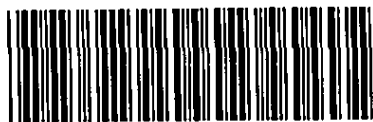
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to researchers of the public record

Rebecca Makaruk  
KPMG LLP  
2 Cornwall Street  
Birmingham  
B3 2DL  
United Kingdom

Tel +44 121 6095881

DX Number DX 709850 Birmingham 26

DX Exchange



\*P785HCLN\*

PC3

21/08/2009

480

COMPANIES HOUSE

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

The Insolvency Act 1986

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PC3 21/08/2009 479  
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FRIDAY



**LA Elwell Limited**  
**(in administration)**

Report to Creditors pursuant to Paragraph  
49 of Schedule B1 of the Insolvency Act  
1986

*19 August 2009*

KPMG Restructuring

ASM/SLN/BAB / Report to creditors

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## **Introduction**

At the request of the Company, acting by the directors, Andrew Stephen McGill and Mark Jeremy Orton were appointed as Joint Administrators of LA Elwell Limited ('LA Elwell' or 'the Company') on 26 June 2009 in the High Court of Justice, Chancery Division, Birmingham District Registry. The Court Administration Order number is 8422 of 2009.

In accordance with Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 the functions of the Joint Administrators can be exercised by any of the administrators.

In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986 the Joint Administrators now set out their proposals for achieving the purpose of the administration and for the conduct of the administration.

The report also includes certain information required to be provided to creditors in accordance with Rule 2.33 of the Insolvency (Amendment) Rules 2003.

The appropriate statutory information is set out in Appendix 1.

## **1 Background**

The Company was incorporated on 29 August 2006 and commenced trade on 2 January 2007.

The Company was formed following the mergers of two entities, Elwell Sections Limited and LA Rollform Limited. The directors of the Company had controlled LA Rollform Limited prior to acquisition and the enlarged entity was formed following the acquisition of the business of Elwell Sections Limited on 29 December 2006.

The Company commenced trade as a metal section roller, manufacturing steel based products for the automotive and window industries. This had been the business of both Elwell Sections Limited and LA Rollform Limited prior to acquisition.

Following incorporation, the Company traded from leasehold premises in Wolverhampton and freehold premises in West Bromwich. During 2008, the Company closed the West Bromwich site and subsequently sold the freehold premises.

Turnover for the year ended 31 December 2008 per the management accounts was £14.7m, showing net profit of £95,391.

## 2 Events leading to the Administrators' appointment

The Company had experienced a significant downturn in business following the worsening economic conditions in 2008 and early 2009. The turnover achieved in the year ended 31 December 2008 of £14.7m was significantly below budget, and this had declined further to £3.2m in the four months to 30 April 2009.

In response to the decline in business, the Company had elected to close the West Bromwich site, including a sale of the freehold premises, and reduce the size of the workforce accordingly. Significant relocation and closure costs were incurred in doing so, which impacted on cash-flow and trading performance and these costs could not be fully offset by the property sale proceeds, as the property was charged to Yorkshire Bank plc ("the Bank").

The Company was funded by the Bank through an invoice discounting facility and an overdraft. By June 2009, the facility was fully drawn down and the overdraft at its maximum as a consequence of the reduction in turnover and the relocation costs.

Due to cash constraints, the Company began experiencing difficulties meeting its obligations to trade creditors, who imposed stringent credit terms as a result. These difficulties were further exacerbated by credit insurers reducing cover and the receipt of numerous threats of legal action from suppliers during May and June 2009.

The Bank undertook a review of their lending during June 2009 and as a result of this they concluded that they were unwilling to extend any further funds to the Company. It therefore became increasingly difficult to source raw materials and maintain trade, as well as meet liabilities to creditors. This resulted in the Company being unable to continue to manufacture products for its customer base.

In light of this and the position with other creditors and the Bank, the directors had no alternative but to take the steps to place the Company into administration.

Andrew Stephen McGill and Mark Jeremy Orton were subsequently appointed joint administrators on 26 June 2009.

## 3 Purpose and progress of the administration

### 3.1 Purpose of administration

In accordance with Paragraph 3(1) Schedule B1 of the Insolvency Act 1986 the purposes of an administration are to:

- a) Rescue the Company as a going concern; or
- b) Achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration); or
- c) To realise property in order to make a distribution to one or more secured or preferential creditors.

Given the level of liabilities to the Bank and trade creditors, it was not possible to rescue the Company as a going concern. The purpose of the administration was therefore to achieve a better result for the Company's creditors as a whole than would be likely if the Company had been wound up.

### 3.2 *Progress of the administration*

#### 3.2.1 *Initial Strategy*

Following appointment, we immediately reviewed the Company's trading position and made contact with key customers. It was clear from our initial review that it was not possible to trade the business for any longer than one to two weeks. Our trading projections forecast a marginal trading position and customers indicated that they would seek to re-source very quickly should uncertainty around the business remain beyond the very short-term.

Given the majority of raw materials had been uplifted from site immediately prior to our appointment, the support of key suppliers was also needed to recommence production. These suppliers indicated they would be supportive of a short term trading and marketing period for the business and we were able to restore supply and restart production whilst the business and assets were marketed, with the costs of materials being met as an expense of the administration.

As well as enabling the marketing of the business, this strategy also provided continuity of trade for customers, which has assisted with collection of outstanding trade debtors.

#### 3.2.2 *Sale of business*

Given the timescales involved, it was not possible to advertise the business for sale, however we were able to circulate known interested parties from information provided by the Company and utilise the extensive KPMG database.

Messrs King Sturge LLP were instructed to prepare an inventory and value the Company's plant and machinery. The inventory was circulated to interested parties during the marketing process.

In total, we held discussions with in excess of twenty interested parties, seven of which undertook site visits to obtain further information.

After a review of trading on Thursday 2 July 2009 and further dialogue with customers, it became apparent that the business was likely to be significantly damaged by the withdrawal of customers if we continued with the marketing process. An offers deadline was therefore communicated to all interested parties of midday on Friday 3 July 2009.

Two offers for the business were received and following discussions with the principal secured creditor, an offer from Task Pallets (UK) Limited was accepted.

Trading then continued in administration whilst the sale of business contract was finalised, with the sale to Task Pallets (UK) Limited (now LA Rollform (UK) Limited) completing on Friday 10 July 2009, for a total of £450,000 plus stock (see below).

Mr Andrew Lamsdale, a director of the Company, is a director and major shareholder in the purchasing company.

Consideration received was allocated as follows:

- £100,000 for goodwill
- £185,000 for unencumbered plant and machinery, which met our agents' valuation.
- £150,000 for plant and machinery subject to hire purchase agreements with the Bank. This element of the proceeds will be remitted directly to the Bank, net of costs.
- £10,000 for motor vehicles.
- £5,000 for furniture and equipment.

Amongst the assets on site was a large production line which had been purchased from Gasparini SpA by Elwell Sections Limited, prior to the formation of the Company, on a stage payment basis. Significant payments were still outstanding on this equipment, and the sale agreement with Gasparini SpA including a retention clause stating that title on this machinery did not pass until all payments had been made. As such, this machinery could not be sold by the administrators for the benefit of creditors, as the Company does not have good title and it was therefore excluded from the sale.

### 3.2.3 *Debtors*

Trade debtors at appointment totalled £2,229,522. The debts were subject to an invoice discounting agreement with the Bank and were excluded from the sale of the business accordingly. Approximately £2,103,000 was due to the Bank under this facility.

Since our appointment, a significant number of counter-claims and disputes have been identified, totalling approximately £335,000, together with existing bad debts of £89,000. We have also raised £44,000 of credit notes since appointment based on agreed claims from customers.

To date, collections total approximately £800,000, which have been paid directly to the Bank under the terms of the invoice discounting agreement. There is therefore a realisable balance of £1,148,400 as at the date of this report.

The purchaser has a duty under the sale agreement to continue assisting with debt collections and our internal specialists continue to work alongside the credit control function to oversee collections.

Given the level of indebtedness to the Bank under the facility and the level of counter-claims identified thus far, it is not anticipated that a surplus will be generated from collections to benefit other creditors of the administration.

### 3.2.4 *Trading result and Stock*

Details of the administrators' trading account to date follow in the attached receipts and payments account. Total sales achieved were approximately £105,000 (only receipts to date are shown). The vast majority of trading expenses have already been settled.

To agree a transfer of remaining materials, a stock-take was conducted immediately prior to the signing of the sale agreement and an inventory position agreed with the purchaser.



The purchaser paid 100p in the £ for stock (excluding retention of title stock), as well as taking on the liability for stock which the administrators had ordered.

Consideration of £95,000 was agreed for the stock based on the inventory and received from Task Pallets (UK) Limited following the sale of business.

We anticipate that including this stock realisation and following receipt of the outstanding post-administration debtors, a break-even position (at best) will be achieved for our brief period of trading.

#### 3.2.5 *Employees*

The Company employed a total of 64 employees as at our appointment. Of these, two were made redundant during the administrators' trading of the business.

The remainder transferred under TUPE legislation to Task Pallets (UK) Limited following completion of the sale of business.

#### 3.2.6 *Investigation*

Under current Insolvency Legislation I have a duty to investigate the company's affairs. If there are any matters you wish to bring to my attention, then I would be pleased to hear from you in writing

### 4 **Position for Creditors**

#### 4.1 *Secured creditors*

The Bank's debt is secured by a fixed and floating debenture in the name of their parent, Clydesdale Bank Plc, dated 21 November 2006, in addition to the separate invoice discounting agreement over the book debts and hire purchase agreements.

Per the estimated financial position, indebtedness to the Bank as at appointment was approximately £780,000 under the overdraft. A further £2,103,000 was due under the invoice discounting facility and approximately £270,000 under the hire purchase agreements. Based on the realisations to date and the estimated outcome of book debts, along with the requirement to set aside funds under the prescribed part for unsecured creditors (see 4.3 below), it is not anticipated that the Bank will be repaid in full.

Advantage Transition Bridge Fund Limited ("Advantage") hold a debenture dated 5 February 2009. This charge ranks behind the Bank in accordance with a Deed of Priorities agreed between the lenders and the Company. Advantage were owed approximately £235,000 at appointment according to the estimated financial position. As this charge is second ranking, no distribution is expected to be paid to this creditor.

#### 4.2 *Preferential creditors*

As detailed in section 3.2.9 above, the majority of existing employees transferred to the purchaser following the sale of the business.

The two employees made redundant by the administrators will have preferential claims against the Company for any unpaid wages or holiday pay, up to prescribed limits. It is

currently unclear as to whether there will be sufficient funds to permit a distribution to the preferential creditors, until the administrators' trading position is finalised.

#### 4.3 *Unsecured creditors*

Details of the unsecured trade creditors are attached at Appendix 5 and total approximately £2,245,000 per the estimated financial position. No individual balances are provided as we are yet to receive a finalised Statement of Affairs from the directors. Given the expected shortfall to the secured creditors, the only foreseeable distribution to unsecured creditors is via the prescribed part.

In accordance with Section 176A(2) of the Insolvency Act 1986, the Joint Administrators are required to set aside a prescribed part of the Company's net property for the benefit of unsecured creditors that would otherwise be available to the secured floating charge holder.

The prescribed part is a computation based on the company's net property and is calculated by taking 50% of the first £10,000 in value, and 20% of the remaining value, not exceeding £600,000. The prescribed part does not apply where the Company's net property does not exceed £10,000.

As with the position for preferential creditors, it is currently unclear as to whether there will be sufficient net realisations to allow for a prescribed part.

### 5 **Administrators' Time Costs**

KPMG LLP time costs to date are £157,362.75. The key areas in which the Administrators costs have been necessarily incurred are as follows:

- Establishing ongoing trading following the appointment. Trading the business for a two week period;
- Sale of business process to identify potential interested parties;
- Negotiation with interested parties;
- Conclusion of a successful sale of the business;
- Obtaining the continued support of the Company's bankers and the provision of new funding facilities;
- Liaison with creditors, dealing with creditor supply queries and ROT claims;
- Implementation of debtor collection strategy and maintaining control thereof;
- Completing our statutory obligations.

A creditors' guide to fees can be found at the following website [http://www.r3.org.uk/uploads/sip/SIP9\\_v5\\_April\\_2007\(1\).pdf](http://www.r3.org.uk/uploads/sip/SIP9_v5_April_2007(1).pdf), however, if you are unable to access this guide and would like a copy please contact Helen Sutton on 0121 609 5894.

The Administrators have instructed KPMG Tax, Environmental, Pensions and VAT specialists to carry out assessments of the Company's position. Their costs are reflected in the total KPMG time costs detailed above.

## **6 Approval of proposals & creditors meeting**

In accordance with Paragraph 52 (1) of Schedule B1 of the Insolvency Act 1986, the joint administrators may dispense with the requirement to summon an initial meeting of creditors under Paragraph 51(b) of Schedule B1 where the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of section 176A(2)(a), the prescribed part. We do not therefore intend to call a creditors' meeting.

The administrators are duty bound to summon an initial creditors' meeting if it requested by creditors of the Company whose debts amount to at least 10% of the total debts of the Company in the prescribed manner and within the prescribed period under Paragraph 52(2) of Schedule B1 of the Insolvency Act 1986. Under Rule 2.36 of the Insolvency Rules 1986, this request must be made using Form 2.21B and be made within 12 days of the date on which these proposals are sent out.

Should no meeting be requisitioned in accordance with the above, pursuant to Rule 2.33(5) of the Insolvency Rules 1986, the proposals set out below will be deemed to have been approved by the creditors.

Accordingly, the Administrators will seek to have their proposal in respect of the Administrators' remuneration approved by the secured creditors of the Company.

## **7 Administrators' proposals**

The Joint Administrators propose the following:

- To continue to do all such things in a reasonably expedient manner and generally exercise all their powers as Joint Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company;
- The Administrators may investigate and, if appropriate, pursue any claims that the Company may have under the Companies Act 1985 or Insolvency Act 1986 ("IA86"). In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider necessary in order to achieve the purpose of the Administration, to protect and preserve the assets of the Company to maximise realisations and for any other purpose incidental to these proposals;
- To seek an extension to the administration periods if deemed necessary by the Joint Administrators;
- It is proposed under Rule 2.160 of the Insolvency Rules 1986 ("IR86") that the Administrators' fees be fixed by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's standard charge out rates for work of this nature and the Category 2 disbursements (as defined by Statement of Insolvency Practice No.9) be charged in accordance with their firms policy;
- That in the event no creditors' committee is formed, the Joint Administrators will be entitled to draw fees on account from the assets of LA Elwell Limited from time to time, during the period of the administration, based on time properly spent at KPMG

LLP time rates that reflect the complexity of the assignment. In accordance with our declaration under paragraph 52(1)(b) of Schedule B1 to the Insolvency Act 1986, these fees will first be agreed with the secured creditors, and if a dividend is to be paid to them, the preferential creditors.

- That the Joint Administrators be authorised to draw disbursements from time to time;
- That the costs of KPMG LLP in respect of forensic technology, tax, VAT, Environmental/Health and safety and pension advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of the LA Elwell Limited;
- That the Joint Administrator's be discharged from liability in accordance with Paragraph 98 of Schedule B1 ("Sch.B1") of IA86, upon the filing of the final Receipts and Payments account in accordance with Rule 2.110 of the Insolvency Rules 1986;
- If the Administrators think funds will become available for unsecured creditors, the Administrators may at their discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent liquidator, should one be appointed, and that the cost of so doing be met as a cost of the Administration as part of the Administrators' remuneration. The Administrators may, at their discretion, adjudicate the claims of unsecured creditors and seek the permission of the court for a distribution to be made to the unsecured creditors by the Administrators pursuant to Paragraph 65(3) Sch.B1 of the IA86;
- Once asset disposals are complete the Administrators may apply to the court to allow the Administrators to distribute surplus funds, if any, to non-preferential creditors;
- The Administrators may use any or a combination of the "exit route" strategies in order to bring the Administration to an end, but in this particular instance the Administrators are likely to wish to pursue one of the following options as being the most cost effective and practical in the present circumstances:
  - a) If deemed appropriate, the Administrators will take the necessary steps to place the Company into compulsory liquidation;
  - b) If creditors' voluntary liquidation is deemed appropriate, the Joint Administrators be permitted to seek the appointment of Andrew Stephen McGill and Mark Jeremy Orton as joint liquidators of LA Elwell Limited without any further recourse to creditors. Any act required or authorised under any enactment to be done by Andrew Stephen McGill and Mark Jeremy Orton, the joint liquidators, may be done by one of them. In accordance with paragraph 83(7) and Rule 2.117(3), creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved.
- If deemed appropriate, the Administration may be brought to an end:
  - a) Automatically one year after the Administrators appointment pursuant to Paragraph 76(1) Schedule B1 IA86; or
  - b) By notice to the Registrar of Companies on completion of the Administration under paragraphs 80 or 84 Schedule B1 IA86; or
  - c) Once all the assets have been realised and the Administrators have concluded all work within the Administration, the Administrators will file notice under

KPMG LLP  
19 August 2009

Paragraph 84(1) Schedule B1 IA86 with the Registrar of Companies, following registration of which the Company will be dissolved three months thereafter; or

- d) Once assets have been realised and the Administrators have concluded all work within the Administration, the Administrators will apply to court under Paragraph 79. Schedule B1 IA86 for the Administration to be ended and, if appropriate, for the Company to be placed into compulsory liquidation.

As detailed above, pursuant to Rule 2.33(5) of the Insolvency Rules 1986, the proposals will be deemed to have been approved by the creditors should no meeting be requisitioned by creditors within the prescribed period.

## 8 Directors' Statement of Affairs

The directors have been requested to complete a statement of affairs as required by Schedule B1 of the Insolvency Act 1986 which has not yet been submitted. We expect this to be completed shortly, at which time it will be filed at Companies House.

In accordance with Rule 2.33(j) a summary of the company's financial position together with a list of the Company creditors is included at Appendices 4 and 5. This is an estimate of the financial position prepared by the joint administrators in the absence of a statement of affairs having been provided by the directors.

## 9 Other Matters

### 9.1 EC Regulations

EC regulations will apply and these proceedings will be the main proceedings as defined in Article 3 of the EC Regulations. The centre of main interest of the Company is in England within the EC.

This concludes the joint administrator's initial report to creditors. A further update on the progress of the administration will follow after six months of the administration or upon closure, whichever is the sooner.

Should any creditor require further information, please contact my colleague, Andy Barber on 0115 935 3580.

Yours faithfully  
For and on behalf of LA Elwell Limited



AS McGill  
Joint Administrator

The affairs, business and property of the company are being managed by the joint administrators.

Andrew Stephen McGill and Mark Jeremy Orton are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.



## Appendix 1

### LA Elwell Limited - Statutory information

Date of incorporation	29 August 2006
Company registration number	5918201
Present registered office	c/o KPMG LLP, 2 Cornwall Street, Birmingham, B3 2DL
Previous registered office	Stanley House, 27 Wellington Road, Bilston, WV14 6AH
Trading address	Cable Street, Wolverhampton, WV2 2HX
Issued share capital	£143 (143 ordinary £1 shares)
Shareholders	Mr Alan Rothwell (33 shares) Mr Andrew Lamsdale (33 shares) W A M McClements No 3 Trust (20 shares) W A M McClements No 2 Trust (57 shares)
Directors	Mr Stephen Geoffrey Harding Mr David Haycock Mr Andrew Lamsdale
Company secretary	Mr Philip Timms
Employees	64



*LA Elwell Limited  
(in administration)*

*KPMG LLP  
19 August 2009*

## **Appendix 2**

### **Summary of receipts & payments**

**LA Elwell Limited**  
**(In Administration)**

**Administrators' Abstract Of Receipts And Payments**  
**To 19 August 2009**

RECEIPTS	Total (£)
Sales	79,249.92
Goodwill	100,000.00
HP/Leasing asset	150,000.00
Plant & machinery	185,000.00
Furniture & equipment	5,000.00
Motor vehicles	10,000.00
Stock - work in progress	95,000.00
Bank interest, gross	52.65
Floating ch. VAT payable	11,887.45
	<hr/> 636,190.02 <hr/>
 PAYMENTS	
Purchases	104,376.85
Purchases (3)	21,784.25
Direct labour	48,002.50
Sub contractors	9,779.00
Debt Collection Costs	345.00
Telephone/Telex/Fax	25.00
Professional fees	4,132.00
Repairs and maintenance	7,028.00
Legal fees	11,473.87
Legal fees	9,387.72
Statutory advertising	213.12
Bank charges	2,718.00
Floating ch. VAT rec'able	25,056.88
	<hr/> 244,322.19
Balances in Hand	391,867.83
	<hr/> 636,190.02 <hr/>





*LA Elwell Limited  
(in administration)*

*KPMG LLP  
19 August 2009*

## **Appendix 3**

### **Administrators' time costs**

LA Elwell Limited - in administration  
Summary of time costs from 26 June 2009 to 19 August 2009

	Partner / Director	Manager	Administrator / support	Total hours	Time cost	Average hourly rate
Statutory and compliance						
Appointment and related formalities	3.10	5.80	52.15	61.05	£13,644.25	£223.49
Bonding and bordereau			2.80	2.80	£480.00	£171.43
Checklist & reviews			15.50	15.50	£3,037.50	£195.97
Pre-appointment checks		11.00		11.00	£4,455.00	£405.00
Reports to debenture holders	3.00			3.00	£1,320.00	£440.00
Strategy documents	0.20		2.00	2.20	£433.00	£196.82
Employees						
Cashiering						
General (Cashiering)	0.60		9.50	10.10	£1,954.50	£193.51
Tax						
Initial reviews - CT and VAT		1.80	5.60	7.40	£1,644.00	£222.16
Post appointment PAYE		5.10		5.10	£1,632.00	£320.00
Post appointment VAT		0.10	1.00	1.10	£257.00	£233.64
Creditors and claims						
General correspondence	11.00		34.05	45.05	£10,392.25	£230.68
Notification of appointment			2.50	2.50	£262.50	£105.00
ROT Claims			15.00	15.00	£2,475.00	£165.00
Statutory reports		4.50	0.95	5.45	£2,006.25	£368.12
Employees						
Correspondence		12.00	10.00	22.00	£5,490.00	£249.55
Pensions reviews		1.20	4.80	6.00	£1,320.00	£220.00
Investigation						
Correspondence with directors			1.00	1.00	£165.00	£165.00
Asset Realisation						
Debtors		60.00	1.50	61.50	£19,447.50	£316.22
Leasehold property	9.00			9.00	£3,960.00	£440.00
Sale of business	24.50	28.00	67.00	119.50	£36,955.00	£309.25
Stock and WIP		13.50	7.40	20.90	£6,688.50	£320.02
Trading						
Cash & profit projections & strategy			34.00	34.00	£5,610.00	£165.00
Sales		46.50	16.50	63.00	£20,280.00	£321.90
Purchases and trading costs		10.00	42.80	52.80	£11,292.00	£213.86
Health & safety			1.00	1.00	£165.00	£165.00
General (Cashiering)			10.50	10.50	£1,996.50	£190.14
Total in period				588.45	£157,362.75	£267.42

KPMG Charge-Out Rates

£

Partner	515
Associate Partner / Director	440
Senior Manager	405
Manager	320
Assistant Manager / Senior Administrator	225
Administrator	165
Support	105
Work Experience	35

Summary of disbursements

£

Mileage	949.20
Travel costs	75.20
Meals	76.07
	<u>1,100.47</u>



*LA Elwell Limited  
(in administration)*

*KPMG LLP  
19 August 2009*

## **Appendix 4**

### **Estimated Financial Position**

**LA Elswell Limited - in administration**

**Estimated Financial Position as at 26 June 2009, from Company records & based on administrators' estimates**

Assets	Estimated NBV £000	Notes
Debtors	2,230	1
Plant and machinery	2,195	2
Goodwill and investments	982	
Motor vehicles	40	
Stock and WIP	300	3
	<u>5,747</u>	
<b>Liabilities</b>		
Yorkshire Bank invoice discounting facility	(2,103)	4
Yorkshire Bank overdraft	(780)	4
Yorkshire Bank hire purchase agreements	(270)	4
Advanced Transition Bridge Fund Limited	(235)	
Outstanding Gasparini payments	(229)	
Trade creditors	(2,245)	5
Other unsecured loans	(525)	
Other creditors & accruals	(226)	
	<u>(6,613)</u>	
<b>Net liabilities</b>	<b>(866)</b>	
<b>Represented by:</b>		
Share capital	1	6
Profit & loss account	(867)	
	<u>(866)</u>	

General notes

Where figures are stated without specific notes, they are drawn from the most recent management accounts as minimal movement has been anticipated. These accounts were made up to 30 April 2009.

The Joint Administrators have in no way audited or verified any of the above.

Other notes

1. This was the Debtors balance identified following the administrators' initial review following appointment.
2. This plant & machinery value at 30 April 2009 included the Gasparini machinery (see section 3.2.5 of report). NBV of other plant was considerably above our agents' valuation.
3. Stock in the 30 April 2009 management accounts totalled £1,721,071. The figure here is based on an estimate of the erosion of stock in the two months from this date where the company had difficulty sourcing materials and also based on a stock-take carried out following appointment.
4. Approximate balances as reported by Yorkshire Bank following the administrators' appointment.
5. As reported on company ledger print following appointment - not yet confirmed as final balances.
6. Profit and loss account included as balancing figure.



*LA Elwell Limited  
(in administration)*

*KPMG LLP  
19 August 2009*

## **Appendix 5**

### **List of trade creditors**

Acecad Software Ltd  
Truro House  
Stephensons Way  
Wyvern Business Park  
Derby  
DE21 6LY

Alliance Industrial Doors  
Deepdale Lane  
Dudley  
West Midlands  
DY3 2AF

Ashley Commercial Finance  
Hexagon House  
Gatley Road  
Cheadle  
Cheshire  
SK8 1LZ

Ashley Commercial Finance Ltd  
Hexagon House  
Gatley Road  
Cheadle  
Cheshire  
SK8 1LZ

Air Products PLC  
2 Millennium Gate  
Westmere Drive  
Crewe  
Cheshire  
CW1 6AP

Annodata Business  
Shannon House  
Station Road  
Kings Langley  
Herts  
WD4 8SE

Allday Time Systems  
Lynchford House  
Lynchford Lane  
Farnborough  
Hampshire  
GU14 6JD

A-Stat Office Technology  
15 Hollybush Lane  
Penn  
Wolverhampton  
WV4 4JJ

Autobar UK (South) Ltd  
Ronac House  
Selinas Lane  
Romford  
Essex  
RM8 1QH

A Smith (Sandwell) Ltd  
Unit 2C  
Union Road Ind Est off Roway Lane  
Oldbury  
West Midlands  
B69 3EU

British Telecom//duplicate  
95 Newall Street  
Birmingham  
West Midlands

BOC LTD  
National Accounting Centre Dpt  
PO Box 6  
Worsley  
Manchester  
M28 4US

B & T Rewinds Ltd  
134 Brearley Street  
Hockley  
Birmingham  
West Midlands  
B19 3XJ

Birmingham Plating Co Ltd  
142/152 Lewisham Road  
Smethwick  
Warley  
West Midlands  
B66 2ER

BES Controls Ltd  
Unit 7C Silver End Est  
Brettel Lane  
Silver End  
Brierley Hill  
West Midlands  
DY5 3LA

Best Connection  
9 Birmingham Street  
Halesowen  
West Midlands  
B63 3HN

British Telecommunications  
Alexander Bain House  
15 York Street  
Glasgow  
Lanarkshire  
G2 8LA

Blenheim Springs Ltd  
Unit 32-33 manor Ind Est  
Pleck Road  
Walsall  
West Midlands  
WS2 9XX

BW Industries Ltd  
Lancaster Road  
Carnaby Ind Est  
Bridlington  
Yorkshire  
YO15 3QY

Campion Engineering Services Ltd  
52 Nightingale Crescent  
New Invention  
Willenhall  
West Midlands  
WV12 5HL

Control Energy Costs Ltd  
Tollers Farm  
Drive Road  
Old Coulsdon  
Surrey  
CR5 1BN

Crane Care Ltd  
50 Avenue Road  
Aston  
Birmingham  
B6 4DY

Chubb Fire Security Ltd  
Chubb Fire House  
eastgate Office Centre  
Eastville  
Bristol  
BS5 6XX

Caunce O'Hara Co Ltd  
City Wharf  
New Bailey Street  
Manchester  
M3 5ER

Crane Handling Ltd  
Unit 8 Charlton Drive  
Corngreaves Industrial Est  
Cradley Heath  
B64 7BJ

Corona Energy  
Edward Hyde Building  
38 Clarendon Road  
Watford  
WD17 1JW

Coltec Tool & Precision Ltd  
Unit 5 Waterside Ind Est  
Ettingshall Road  
Wolverhampton  
West Midlands  
WV2 2RQ

Complete Packaging & Consumables Ltd  
Warehouse 1  
96 Bell Lane  
Marston Green  
West Midlands  
B33 0HX

Cogne UK Group  
Uniformity Steel Works  
19 Don Road  
Newhall  
Sheffield  
S9 2UD

Corus Financial Shared Services  
Commercial Accounting Dept  
PO Box 106  
Port Talbot WKS  
West Glamorgan  
SA13 2NG

DH Electrical Midlands  
88 White Road  
Quinton  
Birmingham  
B32 2TU

Davison Fork Lift Ltd  
Ablow Street  
Wolverhampton  
West Midlands  
WV2 4ER

Ellis Pallets Ltd  
Bridge Street  
Park Village  
Wolverhampton  
WV10 9DX

European Steel Sheets Ltd  
Jean Broadhurst Works  
Doris Road  
Bordesley Green  
Birmingham  
B9 4SJ

Experian Ltd  
Accounts Receivable  
Talbot House  
Talbot Street  
Nottingham  
NG1 5HF

Energas Ltd  
Westmorland Street  
Hull  
HU2 0HX

Egetra NV  
St Jasnsstraat 103  
B-8791 Waregem  
Beveren  
Belgium

Enterprise Managed Services  
Lancaster House  
Centurion Way  
Leyland  
Lancashire  
PR26 6TX

E Hammond Case & Pallet Ltd  
Noose Lane  
Willenhall  
West Midlands  
WV13 3AZ

EON UK PLC  
Customer Services Centre  
PO Box 8610  
Nottingham  
NG1 9AH

Fine Finishes Ltd  
Careless Green  
Lye  
Stourbridge  
West Midlands  
DY6 8XA

Fairgreive Crane Services Ltd  
Unit E3  
Doulton Road Trading Est  
Rowley Regis  
B65 8JQ

Factor 21 PLC  
Ayres House  
Station Road  
Wallingford  
Oxon  
OX10 0JZ

Fellows Precision Grinding  
Unit 3  
Chancel Place  
Ham Lane  
Kingswinford  
DY6 7JR

GE Capital Solutions  
Old Hall Road  
Sale  
Cheshire  
M33 2GZ

Gasparini  
Mirano  
Italy

Hayley Bearings Ltd  
Shelah Road  
Halesowen  
West Midlands  
B63 3XL

Hallett Oils Ltd  
19 Tynninghame Avenue  
Tettenhall  
Wolverhampton  
West Midlands  
WV6 9PP

Heliman Worldwide Logistics  
Unit 3 Chase Way  
Eurocam Technology Park  
Bradford  
BD5 8HW

Hillfoot Steel Group Ltd  
Accounts Dept  
Herries Road  
Sheffield  
S6 1HP

Hi Tec Steel Services Ltd  
Bold Industrial Park  
Neills Road  
St Helens  
Merseyside  
WA9 4TH

Industrial Workplace Solutions Ltd  
Unit 8 Amphion Court  
Hale Trading Estate  
Lower Church Lane  
Tipton  
West Midlands  
DY4 7HN

ING Lease (UK) Ltd  
60 Hill Street  
Readhill  
Surrey  
RH1 1NY

Intertool Ltd  
Unit 9  
Blackbrook Buisness park  
Dudley  
West Midlands  
DY2 0XQ

Indy Ware Ltd  
Ground Floor Media House  
31 Freehold Street  
Northampton  
NN2 6EW

JM Maintenance Services  
6 Knarsdale Close  
Lakeside  
Brierley Hill  
West Midlands  
DY5 3RF

J & L Industrial Supply  
7 Pacific Avenue  
Wednesbury  
West Midlands  
WS10 7WP

JCPMS  
92 Mill Street  
Cannock  
Staffordshire  
WS11 3DR

James Listers & Sons  
Sandwell Industrial Estate  
Spon Lane South  
Smethwick  
West Midlands  
B66 1QJ

Kenson Limited  
70 Lower High Street  
Wednesbury  
West Midlands  
WS10 7AP

Knights Solicitors LLP  
The Brampton  
Newcastle-Under-Lyme  
Staffordshire  
ST5 0QW

KLM Steels Ltd  
Unit 2a Argyle Street  
Nechells  
Birmingham  
B7 5TJ

KD Electrical Co Ltd  
20/22 Lyde Green  
Cradley  
Halesowen  
West Midlands  
B63 2PG



Lion FPG Ltd  
Oldbury Road  
West Bromwich  
B70 9DQ

Lloyds TSB Commercial Finance  
C/O Lanesfield Shotblasting  
PO Box 100  
Banbury  
Oxfordshire  
OX16 7SG

Lloyds TSB Commercial Finance  
C/O KC Engineering (West Brom) Ltd  
PO Box 10484  
Harlow  
Essex  
CM20 9GY

LA Rollform Ltd  
Profile Reinforcement Division  
Cable Street  
Wolverhampton  
West Midlands  
WV2 2HX

Lancaster Clements  
Stanley House  
27 Wellington Road  
Bilston  
West Midlands  
WV14 6AH

Lloyds TSB Commercial Finance  
C/O Campion Engineering Services  
PO Box 10484  
Harlow  
Essex  
CM20 9GY

Lloyds TSB Commercial Finance Ltd  
C/O Taylor York (Midlands) Ltd  
PO Box 10484  
Harlow  
Essex  
CM20 9GY

JSM Consultancy  
14 Wightman Close  
Lichfield  
Staffordshire  
WS14 9RR

Meridian Metal Trading Ltd  
Meridian House  
Grazebrook Ind Park  
Peartree Lane  
Dudley  
West Midlands  
DY2 0XW

Metek UK Ltd  
Unit 101  
Stone House Business Park  
Bristol Road  
Stoneham  
BS1 4DJ

MPC Ltd  
The Bond  
180-182 Fazeley Street  
Birmingham  
West Midlands  
B5 5SE

MISC

Midland Computers  
Unit 4  
Sovereign Park  
Halesfield  
Telford  
Shropshire  
TF7 4NZ

MISC

Norton Hydraulics (Midland) Ltd  
43-45 Meridan Street  
Birmingham  
B5 5LS

Npower  
Payment Processing Centre  
PO Box 263  
Leeds  
West Midlands  
LS14 9AN

Office Business Supplies  
Suite 17 Leonard House  
12-14 Silver Street  
Tamworth  
B79 7NH

Outdoor Creation Ltd T/A TAFS  
Kingswinford  
Hinksford Lane  
Kingswinford  
West Midlands  
DY6 0BH

Peter Eaton & Associates Ltd  
32 Royal Scot Road  
Pride Park  
Derby  
DE24 8AJ

Pitney Bowes Ltd  
The Pinnacles  
Harlow  
Essex  
CM19 5BD

Power Press Repairs Ltd  
69 Kings Road  
Tyseley  
Birmingham  
West Midlands  
B11 2AX

Pedley Steels Ltd  
Bromsgrove Road  
Halesowen  
West Midlands  
B63 3JG

Phillips Products (Dudley)  
Dawley Brook  
Kingswinford  
West Midlands  
DY6 7AS

Pirtek (Wolverhampton)  
Unit 23 Fallings Park Ind Est  
Park Lane  
Wolverhampton  
West Midlands  
WV10 9QB

Rollforming Technical Services  
Unit A4  
Blakenhall Business Park  
Moorfield Road  
Wolverhampton  
West Midlands  
WV2 4QT

RS Components Ltd  
PO Box 99  
Corby  
Northamptonshire  
NN17 9RS

Securitas Alert Services  
22 Simpson Road  
Fenny Stratford  
Milton Keynes  
MK2 2 DD

Stainless International  
George Henry Road  
Great Bridge  
Tipton  
West Midlands  
DY4 7BU

Scottish Hydro Electric  
PO Box 514  
Basingstoke  
RG21 8WS

SBC Precision Engineering  
Trading Division of LA Rollform Ltd  
Cable Street  
Wolverhampton  
West Midlands  
WV2 2HX

Springhill Property Investment  
Cannon Business Park  
Gough Road  
Coseley  
West Midlands  
WV14 8XR

SGW Payroll Ltd  
Duchy Road  
Crewe  
Cheshire  
CW1 6ND

Speedy LGH Ltd  
Bolton Road  
Atherton  
Manchester  
M46 9YZ

Structural Accessories Ltd  
Unit 2A  
Bilston Key Ind Est  
Oxford Street  
Bilston  
West Midlands  
WV14 7DW

The Steel Construction Institute  
Silwood Park  
Ascot  
Berkshire  
SL5 7QN

Themis  
The Polygon  
2 Stamford Road  
Bowdon  
Altrincham  
Cheshire  
WA14 2JU

Tel Services (Payments)  
31 Highgrove Meadows  
Priorslee  
Telford  
Shropshire  
TF2 9RJ

Taylor Precision Ltd  
Unit 12a  
Brineton Street  
Walsall  
West Midlands  
WS2 9EP

Technology Management  
The Old Rectory  
57 Waterloo Road  
Wolverhampton  
West Midlands  
WV1 4QH

TTI Group Ltd  
39-43 Bilton Way  
Luton  
Bedfordshire  
LU1 1UU

TNT UK Ltd  
PO Box 4  
Ramsgate  
Bury  
Lanc  
BL8 9AR

Universal Sections & Rolling  
Unit 1  
Prothero Wks  
Bilport Lane  
Wednesbury  
West Midlands  
WS10 0NT

Universal Coatings Ltd  
31-37 Watery Lane Ind Est  
Watery Lane  
Willenhall  
West Midlands  
WV13 3SU

Venture Factors  
PO Box 624  
Haywards Heath  
West Sussex  
RH16 1WW

Vodafone Business Solutions  
Brunel Park  
Brunel Drive  
Newark  
Nottingham  
NG24 2EG

Vetchberry Steels Ltd  
90 Wyrley Road  
Witton  
Birmingham  
B6 7BN

Venture Maintenance Services  
57 Cradley Road  
Cradley Heath  
West Midlands  
B64 6AG

Vision Underwriting Ltd  
Royal Mews  
St Georges Place  
Cheltenham  
Glos  
GL50 3PQ

W & S Long Ltd  
Bank Street  
Park Village  
Wolverhampton  
WV10 9DU

Warley Carriers  
Oldbury Road  
West Bromwich  
West Midlands  
B70 9DP

Willetts S (Fabrication) Ltd  
Pleasant Street  
The Lyng  
West Bromwich  
West Midlands  
B70 7DT

West Bromwich Pressings Ltd  
Pleasant Street  
The Lyng  
West Bromwich  
West Midlands  
B70 7DT

Wallwork Heat Treatment Ltd  
Sydenham Road  
Birmingham  
B11 1DQ

West Bromwich Fasteners  
5 Greets Green Ind Est  
Greets Green  
West Bromwich

West Midlands Pallets Ltd  
Unit 5 Hollands Ind Est  
Bentley Road South  
Darlaston  
West Midlands  
WS10 8LN

Wolverhampton City Council  
Local taxes Division  
PO Box 250  
Wolverhampton  
West Midlands  
WV2 1AX

Worldhq Ltd  
Ground Floor Media House  
31 Freehold Street  
Northampton  
NN2 6EW

Nact Ltd  
60 Vauxhall Road  
Liverpool  
L3 6DL

Yorkshire Bank PLC  
Invoice Finance Dept  
C/O Wilde Transport UK Ltd  
PO Box 3101 Stirling House  
Clydesbank  
G60 9AQ

Zurich Versicherung AG  
Solmsstrabe 27-37  
60252 Frankfurt Am Main  
Deutschland  
Germany