

Rule 1.26/ The Insolvency (Northern Ireland) Order 1989
1.54

R.1.26(2)(b)/ R.1.54

Notice to Registrar of Companies of
Supervisor's Progress Report

Pursuant to Rule 1.26(2)(b) or
Rule 1.54 of the
Insolvency (Northern Ireland) Order 1989

For Official Use

To the Registrar of Companies

Company Number NI064279

Name of Company

Smyth & Gibson Shirtmakers Limited

I / We

Michael Jennings
Lindsay House
10 Callender Street
Belfast
BT1 5BN

Brian Murphy
Lindsay House
10 Callender Street
Belfast
BT1 5BN

supervisor(s) of a voluntary arrangement taking effect on

07 December 2012

Attach my progress report for the period

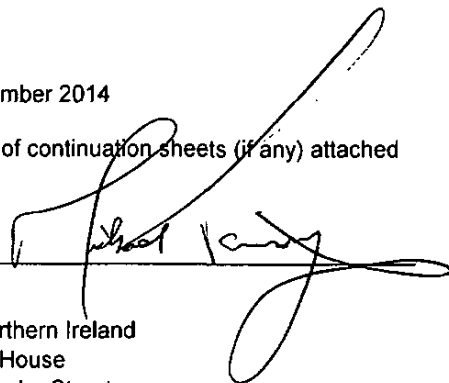
07 December 2013

to

06 December 2014

Number of continuation sheets (if any) attached

Signed



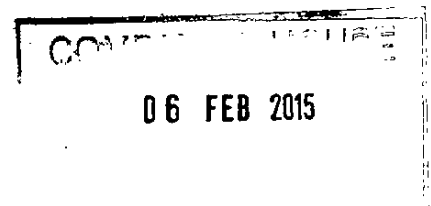
Date

6/2/15

BDO Northern Ireland
Lindsay House
10 Callender Street
Belfast
BT1 5BN

For Official Use
Insolvency Section
Post Room

Ref: SMYTHGIB1/MJ/DW/RMcC



Smyth & Gibson Shirtmakers Limited - In CVA

Comments on the progress and efficacy of the Voluntary Arrangement

I attach a statement of my receipts and payments for the period 7 December 2013 to 6 December 2014, showing a balance in hand of £18,760.12.

1 Receipts & Payments

1.1 Receipts

- 1.1.1 During the period under review, the Company made contributions to the Supervisors' account totalling £25,072.

1.2 Payments

1.2.1 Distribution to Unsecured Creditors

Funds of £21,763.53 were paid to unsecured creditors on 21 March 2014, representing a first and interim dividend of 5.75p/£.

1.2.2 Office Holder Fees

Supervisor's fees in the sum of £3,490.50 have been drawn down in the period 7 December 2013 to 6 December 2014.

1.2.3 Bank Charges

Bank charges of £53.73 have been paid in the period.

2 Comments on current status of the CVA

- 2.1 Contributions for the period total £22,983 as shown on the attached Receipts & Payments schedule. To date, the Company has complied with the terms of the modified arrangement.
- 2.2 During the period to 6 December 2014, the Company has continued offshore production of part of the Smyth and Gibson range to enable a wider range of price points to consumers and to drive gross profit.
- 2.3 The promoters have made a number of significant investments in the business in the period, including the appointment of a Commercial Director to supplement the existing management team in April 2014 and the expansion of factory space in July 2014. In addition, the Company has invested in a stock programme to enable fulfilment of mid season orders and facilitate customer continuity programmes.
- 2.4 The majority of production in the year continued to relate to sales of CMT product to Thomas Pink. Approximately 25% of turnover in the year to 6 December 2014 related to the sale of Smyth & Gibson branded product with the balance being CMT production for third parties.
- 2.4 Cashflow for the business has remained challenging during the year. This is due in part to the business development activities and growth projects noted above.
- 2.5 It is noted that the Company has made the required contributions and complied with the terms of the CVA. Based on current results however, there will be no uplift for the benefit of the CVA creditors, as the company continues to face ongoing market challenges.

- 2.6 The total dividend payable over the five years at the current payment plan is still expected to be 26p in the £.

3 Supervisors' Remuneration

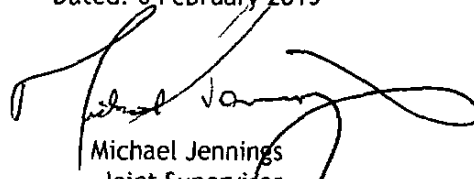
- 3.1 The creditors approved the Supervisors' remuneration (at the Creditors meeting held on 7 December 2012) on a time costs basis. I have drawn £7,240.50 in respect of remuneration in the period 7 December 2012 to 6 December 2014. I attach a SIP 9 which summarises the time costs accrued to 6 December 2014 and indicates the work undertaken in that respect.

4 Disbursements

- 4.1 Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. I report that no disbursements have been drawn in the period.
- 4.2 Additionally my firm incurs costs in relation to postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors, before they can be drawn, and these are known as Category 2 disbursements. The policy of BDO Northern Ireland is not to charge any Category 2 disbursements.

I trust this is in order however should you require any further information please do not hesitate to contact Jamie Cairnduff of this office.

Dated: 6 February 2015



Michael Jennings
Joint Supervisor

Authorised by Chartered Accountants Ireland

Smyth & Gibson Shirtmakers Limited
(Under a Voluntary Arrangement)

Joint Supervisors' Abstract Of Receipts And Payments
For the Period 7 December 2012 to 6 December 2014

| | Statement of Affairs £ | From 7 December 2013 to 6 December 2014 £ | From 7 December 2012 to 6 December 2014 £ |
|-------------------------------------|------------------------------|---|---|
| RECEIPTS | | | |
| CVA Contributions | 125,361.00 | 25,072.08 | 48,054.82 |
| | <u>125,361.00</u> | <u>25,072.08</u> | <u>48,054.82</u> |
| PAYMENTS | | | |
| Distribution to Unsecured Creditors | | 21,763.53 | 21,763.53 |
| Office Holders Fees | | 3,490.50 | 7,240.50 |
| Bonding | | 0.00 | 205.00 |
| Bank Charges | | 53.73 | 85.67 |
| | | <u>25,307.76</u> | <u>29,294.70</u> |
| Balance as at 06 December 2014 | | <u>(235.68)</u> | <u>18,760.12</u> |

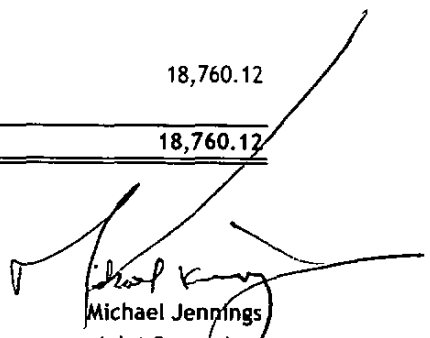
Represented by:

Cash at Bank

18,760.12

18,760.12

BDO
Lindsay House
10 Callender Street
Belfast
BT1 5BN


Michael Jennings
Joint Supervisor
6 February 2015

Smyth and Gibson Shirtmakers Ltd - In CVA

Summary of Time Spent for the Period to 6 December 2014

| DESCRIPTION | PARTNER/ DIRECTOR | | MANAGER | | ADMINISTRATOR | | GRAND TOTAL | | AVERAGE RATE |
|-------------------------------|----------------------|------------|---------|------------|---------------|------------|-------------|------------|-----------------|
| | Hours | Total £ | Hours | Total £ | Hours | Total £ | Hours | Total £ | £ |
| A. Pre Appointment Matters | - | - | - | - | - | - | - | - | - |
| B. Steps On Appointment | - | - | - | - | - | - | - | - | - |
| C. Planning & Strategy | - | - | - | - | - | - | - | - | - |
| D. General Administration | 1.50 | 450.00 | 14.00 | 1,692.50 | 16.85 | 343.00 | 32.35 | 2,485.50 | 76.83 |
| E. Assets Realisation/Dealing | 16.00 | 4,800.00 | 0.50 | 60.00 | - | - | 16.50 | 4,860.00 | 294.55 |
| F. Evidential | - | - | - | - | - | - | - | - | - |
| G. Trading Related Matters | - | - | - | - | - | - | - | - | - |
| H. Employee Matters | - | - | - | - | - | - | - | - | - |
| I. Creditor Claims | - | - | 11.40 | 1,368.00 | 0.90 | 18.00 | 12.30 | 1,386.00 | 112.68 |
| J. Reporting | 7.00 | 1,400.00 | 10.75 | 1,290.00 | - | - | 17.75 | 2,690.00 | - |
| K. Distribution and Closure | - | - | 4.00 | 480.00 | 0.60 | 12.00 | 4.60 | 492.00 | - |
| | 24.50 | 6,650.00 | 40.65 | 4,890.50 | 18.35 | 373.00 | 83.50 | 11,913.50 | 142.68 |

Maximum hourly rates charged for each level of staff are as follows:

| | |
|---------------------|-----------|
| - Partner | £300 |
| - Director | £200 |
| - Senior Manager | £190 |
| - Manager | £160 |
| - Assistant Manager | £125 |
| - Administrators | £20 - £90 |

The time spent on General Administration includes the following:

- Bonding
- Receipts and Payments Accounts
- Statutory matters
- Initial correspondence with creditors
- General administration and correspondence

The time spent on asset realisations/dealing includes the following:

- Reviewing contributions
- Correspondence with Company

The time spent on reporting includes reports to:

- Creditors
- Companies House
- Court
- Review of Company projections and results
- Distribution of annual report

The time spent on Creditor claims includes the classification of claims, ensuring validity of claims and making of distributions to unsecured creditors