

The Insolvency Act 1986


Administrators' progress report**2.24B**

Name of Company S. Lyles Sons & Co Limited	Company number 00120255
In the Leeds District Registry [full name of court]	Court case number 1923 of 2009

(a) Insert full name(s) and address(es) of administrator(s) I/We (a) Francis Graham Newton and Toby Scott Underwood of BDO LLP 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU

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

(b) Insert date	From	to
	(b) 13 January 2011	(b) 6 July 2011

Signed 
Joint/administrator(s)

Dated 6/7/11

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 searchers of the public record.

BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU	
Our Ref 01429/DB/S0297/A6	Tel 0113 244 3839
DX Number	DX Exchange

If 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



**S. Lyles Sons & Co Limited
(In Administration)**

**Summary of Receipts & Payments
14 January 2011 to 06 July 2011**

RECEIPTS	Total (£)
Brought Forward	7,162,405.90
Direct Labour - Company Pension Scheme	29.74
Contribution to Hire of Vehicles	3,436.31
Bank Interest Gross	5.82
VAT Control Account	128,299.65
	<hr/>
	7,294,177.42
	<hr/>
PAYMENTS	
Brought Forward	7,149,523.76
Barclays Sales Finance	66,392.81
Office Holders Fees	55,000.00
Office Holders Expenses	107.40
Agents/Valuers Fees	500.00
Legal Fees	6,868.32
Stationery & Postage	196.82
Bank Charges	1.44
VAT Receivable	12,557.36
Other Deductions	3,029.51
	<hr/>
	7,294,177.42
	<hr/>
Balance In Hand	0.00
	<hr/>
	7,294,177.42
	<hr/>



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1 Bridgewater Place
Water Lane
Leeds LS11 5RU

To All Known Creditors

6 July 2011

Our Ref 01429/DB/S0297/A6

Please ask for Donna Berriman
Direct Line: 0113 204 1295
Email donna.berriman@bdo.co.uk

Dear Sirs

S. Lyles Sons & Co Limited - In Administration ("the Company")

We now supply our final report in respect of the above matter and report as follows:

1 Statutory Information

- 1.1 The Joint Administrators are Francis Graham Newton and Toby Scott Underwood of BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU and they were appointed in respect of the Company on 14 July 2009. Under the provisions of paragraph 100(2) of schedule B1 of the Insolvency Act 1986 the Administrators carry out their functions jointly and severally and either Administrator has exclusive power to exercise any function.
- 1.2 We were appointed by the Directors of the Company pursuant to Paragraph 22 of schedule B1 of the Insolvency Act 1986. The Administration proceedings are dealt with in the Leeds District Registry and the court case number is 1923 of 2009
- 1.3 The Company's registered office is situated at BDO LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5RU and the registered number is 00120255.
- 1.4 We enclose, for your information, a summary of our receipts and payments to date which shows a nil balance and report as follows

2 Receipts

The receipts shown are largely self-explanatory, although we would comment specifically on the following:

2.1 Sale of plant and machinery

- 2.1.1 A contract for sale of the majority of the plant and machinery was exchanged on 26 November 2009. Completion of the sale concluded on 30 March 2010
- 2.1.2 The consideration of £1.67m has been received in full.
- 2.1.3 All remaining items of plant and machinery, fixtures and fittings and computer equipment have been sold by our agents, realising c£6k



2.2 Book debts

2.2.1 Barclays Sales Finance ("BSF") provided an invoice financing facility to the Company. At the date of our appointment, c£1.8m was outstanding to BSF, secured over the debtor ledger which totalled c£2.6m.

2.2.2 Collections have been completed and BSF's debt, £1.9m, has been repaid in full.

2.3 Freehold land and buildings at Calder Bank Mills, Calder Bank Road, Dewsbury ("the Property")

2.3.1 The sale of the Property to Westex (Carpets) Limited completed on 2 July 2010. The total consideration, £2.2m, has been received in full.

2.4 Other plots of land

2.4.1 We investigated the Company's ownership of three small plots of land separate from the Property. Only two of these plots of land were owned by the Company.

2.4.2 Both of these plots of land were sold at auction realising £10k.

3 Administrators' Trading

3.1 Trading ceased on 11 September 2009 following completion of all confirmed sales orders. All 274 staff were made redundant.

3.2 Sales during the Administrators' trading period totalled £820k net of VAT, resulting in a trading profit of £210k.

4 Other Matters

4.1 We instructed Rogerson & Associates Chartered Surveyors to undertake a review of the historic business rate payments. This resulted in a refund of £12k arising to the Company.

5 Future of the Administration

5.1 As detailed in the Joint Administrators proposals, which were accepted at the meeting of creditors held on 21 September 2009, it was anticipated that the Company would move from Administration to either Creditors' Voluntary Liquidation or dissolution.

5.2 As no dividend will be paid to the unsecured creditors, the Company will move from Administration to dissolution.

6 Prospects for Creditors**6.1 Prescribed Part**

6.1.1 Due to the Company not granting a floating charge after 15 September 2003 this provision does not apply.

6.2 Secured creditors

- 6.2.1 The primary debts of Barclays and BSF have been repaid in full
- 6.2.2 Additional repayments totalling £106k have been paid to BSF in respect of contractual interest charges and termination fees.

6.3 Preferential creditors

- 6.3.1 Preferential claims only typically arise in respect of employees' arrears of wages and unpaid holiday pay.
- 6.3.2 Total preferential claims amount to c £247k. There have been insufficient realisations to enable a distribution to the preferential creditors.

6.4 Unsecured creditors

- 6.4.1 We have received claims from unsecured creditors totalling £6.36m
- 6.4.2 There have been insufficient realisations to allow a distribution to the unsecured creditors.

7 Administrators' Remuneration

- 7.1 The creditors have already approved the Administrators' remuneration on a time cost basis at the meeting of creditors held on 21 September 2009. The amount of time spent administering the case totals £627k. This relates to 3,341.65 hours of work at an average rate of £187.69 per hour. We have drawn fees of £605k
- 7.2 We attach a schedule which summarises the time costs accrued to date and details the work undertaken.

8 Disbursements

- 8.1 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. Total disbursements of £10k have been drawn in respect of category 1 disbursements as follows:

	£
Statutory Bond	1,320
Statutory Advertising	3,738
Courier	22
Postage and Stationery	269
Staff Mileage	3,664
Parking	63
Staff Sustenance	<u>1,261</u>
Total	<u>10,337</u>

- 8.2 Some administrators recharge expenses for example 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 LLP is not to charge any category 2 disbursements.

If you have any queries, please contact Donna Berriman of this office

Yours faithfully
for and on behalf of
S Lyles Sons & Co Limited



F G Newton
Joint Administrator

FG Newton and TS Underwood are authorised by the Insolvency Practitioners Association
The Joint Administrators act as agents of the Company and without personal liability

S. Lyles Sons & Co Limited
(In Administration)

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 14/07/2009 To 06/07/2011 £	From 14/07/2009 To 06/07/2011 £
RECEIPTS			
Sales		799,014.87	799,014.87
Shop Sales		20,940.14	20,940.14
Purchase Refunds		300.00	300.00
Miscellaneous Income		2.00	2.00
Contribution to Hire of Vehicles		3,436.31	3,436.31
Freehold Land & Property	3,250,000.00	2,202,251.92	2,202,251.92
Freehold Land	50,000.00	9,800.00	9,800.00
Plant & Machinery	1,835,000.00	1,730,000.00	1,730,000.00
Pre appointment Debtors	1,650,000.00	2,174,377.97	2,174,377.97
Stock	450,000.00	0.00	0.00
Plant & Machinery		217.39	217.39
Furniture & Equipment		6,417.00	6,417.00
Book Debts		581.40	581.40
Cash at Bank	2,292.00	1,156.35	1,156.35
Misc Stock		1,584.61	1,584.61
Bank Interest Gross		3,326.46	3,326.46
Misc Refunds		1,296.79	1,296.79
Security Cost Contribution		1,728.00	1,728.00
Rates Refund		11,533.02	11,533.02
Licence Fee		25,000.00	25,000.00
Insurance Contribution		6,727.25	6,727.25
Accrued Interest on Late Payment		6,002.17	6,002.17
Legal Fees		94,411.71	94,411.71
VAT Receivable		45.00	45.00
VAT Payable		157,164.87	157,164.87
PAYE & NI		138,421.60	138,421.60
VAT Control Account		157,890.34	157,890.34
Other Deductions		10,928.51	10,928.51
		<u>7,564,555.68</u>	<u>7,564,555.68</u>
PAYMENTS			
Purchases		24,254.05	24,254.05
Purchases (RoT)		8,628.20	8,628.20
Direct Labour		408,560.76	408,560.76
Direct Labour - Company Pension Scheme		16,668.41	16,668.41
Consumable Stores		634.24	634.24
Rates		24,369.59	24,369.59
Heat & Light - electric		16,578.31	16,578.31
Heat & Light - gas		33,820.25	33,820.25
Telephone		1,658.73	1,658.73
Water		18,590.12	18,590.12
Insurance		19,664.65	19,664.65
Lease/HP Payments		12,110.83	12,110.83
Repairs & Maintenance		6,711.37	6,711.37

**S. Lyles Sons & Co Limited
(In Administration)**

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 14/07/2009 To 06/07/2011 £	From 14/07/2009 To 06/07/2011 £
Sundry Expenses		101.04	101 04
Vehicle Running Costs		2,439.70	2,439 70
Stationery		139.00	139.00
Electrical Contractor		5,984.00	5,984.00
Security		871.26	871 26
Force Majeure Payments		8,123.43	8,123.43
Purchase Refunds		217.39	217.39
Office Holders Fees		350,000.00	350,000 00
Office Holders Expenses		9,978.96	9,978.96
Legal Fees		94,411.71	94,411.71
Agents/Valuers Fees		135,000.00	135,000.00
Debt Collection Fees		3,008.30	3,008 30
Agents Commission		60,000 00	60,000.00
Property Holding Cost - misc		147,987.69	147,987.69
Property holding cost - insurance		59,756.80	59,756 80
Barclays Sales Finance		1,938,215.83	1,938,215 83
Barclays Sales Finance - charges		13,953.52	13,953 52
Barclays Mercantile Business Finance		430,356.60	430,356.60
Barclays Bank Plc		2,674,693.24	2,674,693.24
BSF Termination Charges		25,000.00	25,000.00
Cash at Bank		40.00	40.00
Office Holders Fees		254,749.08	254,749.08
Office Holders Expenses		358 32	358 32
Professional Fees		10,450.56	10,450.56
Property Holding Costs - Labour		101,201.99	101,201 99
Agents/Valuers Fees		29,019.49	29,019.49
Agents/Valuers Fees (2)		1,200.00	1,200.00
Legal Fees		139,311.03	139,311 03
Legal fees - Pre appt		1,401.60	1,401.60
Legal Fees - Disbursements		3,783.48	3,783.48
Stationery & Postage		2,436.08	2,436.08
Property Holding Costs - E'ee Expenses		429.39	429.39
Re-Direction of Mail		26.00	26.00
Bank Charges		3,210.36	3,210.36
VAT Receivable		212,745 76	212,745.76
PAYE & NI		138,421.60	138,421.60
VAT Control Account		102,354.45	102,354.45
Other Deductions		10,928.51	10,928 51
		<u>7,564,555.68</u>	<u>7,564,555.68</u>
BALANCE - 06 July 2011			<u><u>0.00</u></u>

S. Lyles Sons & Co Limited
(In Administration)
Joint Administrators' Trading Account
To 06/07/2011

S of A £	£	£
POST APPOINTMENT SALES		
Sales	799,014.87	
Shop Sales	20,940.14	
Purchase Refunds	300.00	
Miscellaneous Income	2.00	
	<hr/>	820,257.01
PURCHASES		
Purchases	24,254.05	
Purchases (RoT)	8,628.20	
	<hr/>	(32,882.25)
OTHER DIRECT COSTS		
Direct Labour	408,560.76	
Direct Labour - Company Pension Sche	16,668 41	
Consumable Stores	634.24	
	<hr/>	(425,863 41)
TRADING EXPENDITURE		
Rates	24,369.59	
Heat & Light - electric	16,578.31	
Heat & Light - gas	33,820.25	
Telephone	1,658.73	
Water	18,590.12	
Insurance	19,664.65	
Lease/HP Payments	12,110.83	
Repairs & Maintenance	6,711 37	
Sundry Expenses	101.04	
Vehicle Running Costs	2,439.70	
Stationery	139.00	
Electrical Contractor	5,984.00	
Security	871 26	
Force Majeure Payments	8,123 43	
Purchase Refunds	217.39	
Contribution to Hire of Vehicles	(3,436.31)	
	<hr/>	(147,943.36)
TRADING SURPLUS/(DEFICIT)		<hr/> <hr/> 213,567.99

S. Lyles Sons & Co Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 06/07/2011

S of A £		£	£
	SECURED ASSETS		
3,250,000.00	Freehold Land & Property	2,202,251.92	
50,000.00	Freehold Land	9,800.00	
1,835,000.00	Plant & Machinery	1,730,000.00	
1,650,000.00	Pre appointment Debtors	2,174,377.97	
450,000.00	Stock	NIL	
			6,116,429.89
	COSTS OF REALISATION		
	Office Holders Fees	350,000.00	
	Office Holders Expenses	9,978.96	
	Legal Fees	94,411.71	
	Agents/Valuers Fees	135,000.00	
	Debt Collection Fees	3,008.30	
	Agents Commission	60,000.00	
	Property Holding Cost - misc	147,987.69	
	Property holding cost - insurance	59,756.80	
			(860,143.46)
	SECURED CREDITORS		
(1,800,000.00)	Barclays Sales Finance	1,938,215.83	
(5,656,000.00)	Barclays Sales Finance - charges	13,953.52	
	Barclays Mercantile Business Finance	430,356.60	
	Barclays Bank Plc	2,674,693.24	
	BSF Termination Charges	25,000.00	
			(5,082,219.19)
	ASSET REALISATIONS		
	Plant & Machinery	217.39	
	Furniture & Equipment	6,417.00	
	Book Debts	581.40	
2,292.00	Cash at Bank	1,116.35	
	Misc Stock	1,584.61	
	Bank Interest Gross	3,543.23	
	Misc Refunds	1,296.79	
	Trading Surplus/(Deficit)	213,567.99	
	Security Cost Contribution	1,728.00	
	Rates Refund	11,533.02	
	Licence Fee	25,000.00	
	Insurance Contribution	6,727.25	
	Accrued Interest on Late Payment	6,002.17	
			279,315.20
	COST OF REALISATIONS		
	Office Holders Fees	- 254,749.08	
	Office Holders Expenses	358.32	
	Professional Fees	10,450.56	
	Property Holding Costs - Labour	101,201.99	
	Agents/Valuers Fees	29,019.49	
	Agents/Valuers Fees (2)	1,200.00	
	Legal Fees	45,116.09	
	Legal fees - Pre appt	1,401.60	
	Legal Fees - Disbursements	3,783.48	

S. Lyles Sons & Co Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 06/07/2011

S of A £		£	£
	Stationery & Postage	2,436.08	
	Property Holding Costs - E'ee Expenses	429 39	
	Re-Direction of Mail	26 00	
	Bank Charges	3,210 36	
			(453,382.44)
	PREFERENTIAL CREDITORS		
(280,417.00)	DE Arrears & Holiday Pay	NIL	
(14,700.00)	Pension Schemes	NIL	
			NIL
	UNSECURED CREDITORS		
(6,511,916 00)	Trade & Expense Creditors	NIL	
			NIL
	DISTRIBUTIONS		
(121,860.00)	Ordinary Shareholders	NIL	
			NIL
(7,147,601.00)			0.00
	REPRESENTED BY		
			NIL

S Lyles Sons & Co Limited - in Administration

Summary of Time Charged and Rates Applicable for the Period From 14 July 2009 to 4 July 2011

Description	Partner		Manager		Assistant Manager		Administrators and Other staff		Grand total		Avg rate	
	Hours	Total (£)	Hours	Total (£)	Hours	Total (£)	Hours	Total (£)	Hours	Total (£)	Total (£)	Total (£)
A Pre Appointment Matters			4 50	891 00					4 50	891 00	198 00	
B Steps on Appointment	0 75	273 00	45 25	8,675 75	25 00	4,175 00	24 25	3,881 75	95 25	17,005 50	178 54	
C Planning and Strategy	31 75	11,536 50	21 00	4,158 00					52 75	15,694 50	297 53	
D General Administration	7 00	2,586 50	207 15	43,703 20	84 85	14,617 85	485 30	74,693 85	784 30	135,601 40	172 89	
E Assets Realisation/Dealing	103 75	33,823 00	299 65	59,461 45	93 05	15,601 60	25 00	4,175 00	521 45	113,061 05	216 82	
F Trading Related Matters	82 25	26,981 00	235 00	51,114 25	182 70	30,510 90	189 00	20,894 25	688 95	129,500 40	187 97	
G Employee Matters			75 70	13,869 85	127 25	22,098 75	411 05	63,194 10	614 00	99,162 70	161 50	
H Creditor Claims	6 75	2,504 25	225 90	38,265 85	56 75	9,491 50	30 10	5,026 70	319 50	55,288 30	173 05	
I Reporting	90 75	29,327 00	137 75	26,062 25	18 20	3,136 00	5 25	876 75	251 95	59,402 00	235 77	
J Distribution and Closure			1 25	248 75	5 50	1,002 50	2 25	344 25	9 00	1,595 50	177 28	
Total	323 00	107,031 25	1,253 15	246,450 35	593 30	100,634 10	1,172 20	173,086 65	3,341 65	627,202 35	187 69	
Other Disbursements										10,337 28		
Grand Total										637,539 63		