In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

# AM10

## Notice of administrator's progress report

Companies House

For further information, please refer to our guidance at www.gov.uk/companieshouse

### 1 Company details

| | |
|---|---|
| Company number | 0 1 6 0 0 7 2 8 |
| Company name in full | Stanian Transport Limited |

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

### 2 Administrator's name

| | |
|---|---|
| Full forename(s) | Paul Andrew |
| Surname | Flint |

### 3 Administrator's address

| | |
|---|---|
| Building name/number | Suite 3 Regency House |
| Street | 91 Western Road |
| Post town | Brighton |
| County/Region | |
| Postcode | B N 1 2 N W |
| Country | |

### 4 Administrator's name ❶

| | |
|---|---|
| Full forename(s) | Mark Granville |
| Surname | Firmin |

❶ **Other administrator**
Use this section to tell us about another administrator.

### 5 Administrator's address ❷

| | |
|---|---|
| Building name/number | Suite 3 Regency House |
| Street | 91 Western Road |
| Post town | Brighton |
| County/Region | |
| Postcode | B N 1 2 N W |
| Country | |

❷ **Other administrator**
Use this section to tell us about another administrator.

# AM10

Notice of administrator's progress report

## 6 Period of progress report

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| From date | d | 1 | d | 8 | m | 0 | m | 5 | y | 2 | y | 0 | y | 2 | y | 0 |
| To date | d | 1 | d | 7 | m | 1 | m | 1 | y | 2 | y | 0 | y | 2 | y | 0 |

## 7 Progress report

☑ I attach a copy of the progress report

## 8 Sign and date

| | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Administrator's signature | Signature X | | | | | | | | | | | | | | | X |
| Signature date | d | 1 | d | 5 | m | 1 | m | 2 | y | 2 | y | 0 | y | 2 | y | 0 |

# AM10
Notice of administrator's progress report

## Presenter information

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


Contact name: Ryan Scallon

Company name: Alvarez & Marsal Europe LLP

Address: Suite 3 Regency House
91 Western Road

Post town: Brighton

County/Region:

Postcode: B N 1 2 N W

Country:

DX:

Telephone: +44 (0) 20 7715 5200


## Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

## Important information

**All information on this form will appear on the public record.**

## Where to send

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

## Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

ALVAREZ & MARSAL

**STANIAN TRANSPORT LIMITED- IN ADMINISTRATION**

# Joint Administrators' second progress report

## For the period from 18 May 2020 to 17 November 2020

*15 December 2020*

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# 1 Executive summary

- This progress report covers the period from 18 May 2020 to 17 November 2020.
- Paul Flint and Mark Firmin of Alvarez & Marsal Europe LLP ("A&M") were appointed as Joint Administrators of Stanian Transport Limited (the "Company" / "Stanian") on 18 November 2019.
- A sale of the Company's business and assets was concluded to HNC Transport Limited ("HNC") immediately following our appointment. (Section 2 – Progress to date)
- The Company has an interest in two ongoing legal claims made against third parties. Currently, the timing of any potential settlement is uncertain. (Section 2 – Progress to date)
- Positive Cash Flow Finance Limited ("Positive"/ "secured creditor") is collecting the outstanding book debts. Based on forecast collectability of the outstanding ledger, it is likely that Positive will suffer a shortfall against their indebtedness once collections have been exhausted, and prior to relying on any call on the guarantors to the debt. No debtor surplus is therefore anticipated for the Administration estate. (Section 3 – Dividend prospects)
- Based on current estimates, it is highly unlikely that there will be a dividend to preferential creditors. (Section 3 – Dividend prospects)
- Based on current estimates, it is highly unlikely that there will be a dividend to unsecured creditors. (Section 3 – Dividend prospects)
- During the period, Positive, as the secured creditor granted a 12-month extension to the period of the administration.
- The administration is now due to end on 17 November 2021.
- Please note you should read this progress report in conjunction with our previous progress report and proposals which were issued to the Company's creditors and are available on the Portal. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.

Paul Flint
Joint Administrator

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# 2 Progress to date

This section updates you on our strategy for the administration and on our progress to date. It follows the information provided in our previous progress report.

As reported in our first progress report, a pre-packaged sale of the Company's business and assets was concluded to HNC immediately following our appointment.

It was not possible to trade the Company in administration due to the lack of funding. Therefore, the sale to HNC was considered the best course of action to preserve value in the Company and provide the best result for the Company's creditors as a whole. Further information on the sale can be found in our proposals and first progress report.

The Company continues to have an interest in two ongoing legal claims made against third parties. One of these claims was historically, and prior to our appointment being funded by the Company and is being brought by its parent company, Stanian Holdings Limited. Regular discussions are held with the parent company's legal advisors to understand progress made and the potential quantum and timing of any benefit to the administration estate. We understand that Counsel's opinion has been obtained on the strength of the claim in question and the legal advisers are now considering next steps.

The second claim relates to a long-standing group action being brought by the Road Haulage Association. This is in respect of a cartel claim against a number of European truck manufacturers where the Company would be a beneficiary of any settlement. At this stage it is uncertain when any settlement is likely to be reached. We are currently reviewing the available options to realise value for the Company's interest in this claim, this includes approaching two separate parties to see if they would like to buy out our interest in the claim as it would not appear that a settlement of the claim is likely in the near future.

Realisations during the period of this report are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the period of this report are provided below.

In the period of this report a refund of £257.74 has been received from Backhouse Jones Limited for legal services provided to the Company regarding a pre-appointment lease and title reviews.

As previously reported, the Company's debtor book totalled approximately £670,000 at the date of our appointment. The book debts were assigned to Positive as per the terms of their security. Positive's principal indebtedness on appointment totalled approximately £543,000.

Positive is continuing with their debt collection activities and has collected a further £25,543 of book debts in the period of this report. The current outstanding balance due to Positive is

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£89,274 (inclusive of interest and charges) against an outstanding ledger balance of £280,948.

In addition to its collection activity in the period referenced above, Positive has received £100,000 from one of the guarantors of the debt due to Positive in order to help pay down their outstanding indebtedness. Charges and discount fees applied in the period of this report by Positive total £12,070.

Based on the current position, it is anticipated that Positive will suffer a shortfall against their indebtedness prior to relying on the guarantors of the debt to repay any shortfall after the debt collection activities have been exhausted. As such, it is unlikely that there will be a surplus of book debts available to the Administration estate after the repayment of the indebtedness due to Positive.

As detailed in section 2.1.1 (Strategy), the Company continues to have an interest in two ongoing legal claims made against third parties.

If you wish to bring to our attention any other matters which you believe to be relevant to the administration please do so by writing to Dimitri Golovanovs at Alvarez & Marsal Europe LLP, Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW.

Payments made in the period of this report are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the period of this report are provided below.

Contractor costs of £1,000 have been paid in the period of this report. This amount relates to Clumber Consultancy Ltd ("Clumber") who were instructed to submit claims to the Redundancy Payments Service in relation to the pension contributions which were made by employees but not paid over by the Company.

Whilst this is work that could, in theory, have been carried out by ourselves, it was concluded that it was better to appoint Clumber due to the specialist nature as well as it being more cost effective to the administration estate.

We have reviewed the contractor costs and they are in line with the agreed terms and reasonable in the context of the work performed.

Pre-administration legal fees and disbursements of £4,250 were paid to Knights Plc ("Knights") with the consent of the secured creditor in the period of this report.

Knights assisted with the sales process previously mentioned in section 2.1.2., they drafted the SPA and the necessary appointment documentation.

The payment to Knights has been split between fixed and floating accounts in accordance with the SPA and the proceeds of sale that have subsequently been received.

We have detailed the costs incurred during the period of this report, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

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# 3 Dividend prospects

Positive is the only secured creditor of the Company and holds both a fixed and a floating charge debenture over the Company's assets.

As reported in our first progress report, on appointment Aaron & Partners LLP ("Aaron") were instructed to review the security documentation and comment on the validity of security held. The validity of security held by Positive has been confirmed by Aaron.

At the date of our appointment, Positive's indebtedness totalled approximately £543,000, this was secured primarily against a debtor book of approximately £670,000.

Positive have an outstanding indebtedness of £89,274. The debt collection process remains ongoing with an outstanding ledger balance of £280,948. However, based on the current assessment of the collectability of the ledger it is likely that Positive will suffer a shortfall against their lending once collections have been exhausted, and prior to relying on any potential call on the guarantors of the debt.

Based on current estimates, it is highly unlikely that there will be a dividend to preferential creditors.

Based on current estimates, it is highly unlikely that there will be a dividend to unsecured creditors.

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# 4 Joint Administrators' remuneration, disbursements and pre-administration costs

During the period of this report, Positive, as the secured creditor has provided approval that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fee estimate and charge-out rates provided in our proposals; and
- disbursements for services provided by A&M (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with A&M's policy as set out in Appendix 4.

During the period of this report we have incurred time costs of £66,063.50. These represent 145.50 hours at an average rate of £454.04 per hour.

During the period of this report, we have not drawn any remuneration.

During the period of this report, we have incurred disbursements of £11.22. None of these have yet been paid.

Our fees estimate of £110,837.50 has been exceeded primarily because of the asset realisation process and the statutory filing requirements.

The book debt collections have continued for longer than anticipated, and the outstanding legal claims still have not yet reached a conclusion. This has resulted in an extension for the administration being sought and the necessity to incur further costs in order to realise the remaining assets for the benefit of the administration estate.

At this stage in the administration we are not seeking to draw remuneration in excess of the previously approved amount of £110,837.50.

Should we wish to seek approval to draw remuneration in excess of £110,837.50, we will ensure that the requisite disclosures are made to the relevant creditors and that the requisite approvals are obtained.

We do not anticipate that the expenses to be incurred during the administration will exceed our original expenses estimate of £17,900.

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We have attached at Appendix 4 an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Alvarez & Marsal Europe LLP for the period of this report, together with a summary of the cumulative time costs to 17 November 2020. We have also attached our charging and disbursements policy.

We disclosed the following pre-administration costs, which were unpaid at the date of our appointment, in our proposals:

| **Pre-administration costs** | | | | |
|---|---|---|---|---|
| | Disclosed unpaid costs (£) | Approved (£) | Paid in the period (£) | Outstanding (£) |
| Joint Administrators' time costs | 34,182.50 | 34,182.50 | Nil | 34,182.50 |
| Legal fees & disbursements | 6,000.00 | 6,000.00 | 4,250.00 | 1,750.00 |
| Valuation fees | 3,500.00 | 3,500.00 | Nil | 3,500.00 |
| **Total** | **43,682.50** | **43,682.50** | **4,250.00** | **39,432.50** |

On 1 September 2020, we obtained approval from Positive as the secured creditor to pay these pre-administration costs as an expense of the administration. We have discharged £4,250 of legal fees to date.

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# 5 Future strategy

We will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the administration. This will include but not be limited to:

- Monitoring the two legal claims that remain ongoing against third parties;
- Complying with tax requirements and obtaining tax clearance from HMRC;
- Determining the appropriate insolvency exit route; and
- Concluding the administration in due course.

The duration of the administration is restricted to 12 months from the date of commencement unless it is extended with the permission of the creditors or the Court.

During the period of this report the secured creditor granted a 12-month extension to the period of the administration.

The administration is currently due to end on 17 November 2021.

The secured creditor, Positive, has granted approval that we will be discharged from liability in respect of any actions as Joint Administrators upon filing of our final receipts and payments account with the Registrar of Companies.

We will provide a further progress report within one month of 17 May 2021 or earlier if the administration has been completed prior to that time.

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# Appendix 1 – Statutory Information

## Company information

| | |
|---|---|
| Company name | Stanian Transport Limited |
| Date of incorporation | 27 November 1981 |
| Company registration number | 01600728 |
| Present registered office | c/o Alvarez & Marsal Europe LLP Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW |

## Administration information

| | |
|---|---|
| Administration appointment | The administration appointment granted in the High Court of Justice, Business & Property Courts of Manchester, Insolvency and Companies List, CR-2019-MAN-001189 |
| Appointor | Positive Cash Flow Finance Limited |
| Date of appointment | 18 November 2019 |
| Joint Administrators | Paul Flint and Mark Firmin |
| Functions | The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2). |
| Current administration expiry date | 17 November 2021 |

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# Appendix 2 – Receipts and payments account

**Stanian Transport Limited**
**(In Administration)**
**Joint Administrators' Summary of Receipts & Payments**

| Statement of Affairs £ | | From 18/05/2020 To 17/11/2020 £ | From 18/11/2019 To 17/11/2020 £ |
|---|---|---|---|
| | FIXED CHARGE ASSETS | | |
| | Goodwill | NIL | 30,000.00 |
| | Intellectual Property | NIL | 1.00 |
| 583,939.00 | Book Debts | NIL | NIL |
| | Bank Interest | 11.82 | 18.29 |
| | | 11.82 | 30,019.29 |
| | FIXED CHARGE COSTS | | |
| | Legal Fees/Disbursements | 3,642.86 | 3,642.86 |
| | | (3,642.86) | (3,642.86) |
| | ASSET REALISATIONS | | |
| | Business information & contracts | NIL | 2.00 |
| | Cash at Bank | NIL | 0.19 |
| 10,000.00 | Furniture & Equipment | NIL | 4,997.00 |
| | Motor Vehicles | NIL | 2,500.00 |
| | Plant & Machinery | NIL | 4,200.00 |
| | | NIL | 11,699.19 |
| | OTHER REALISATIONS | | |
| | Bank Interest | 3.90 | 7.66 |
| | Sundry Refunds | 257.74 | 257.74 |
| | Sundry Refunds | NIL | 840.79 |
| | | 261.64 | 1,106.19 |
| | COST OF REALISATIONS | | |
| | Bank Charges | 2.80 | 2.80 |
| | Contractor Costs | 1,000.00 | 1,541.67 |
| | Legal Fees/Disbursements | 607.14 | 2,107.14 |
| | Specific Bond | NIL | 200.00 |
| | Statutory Advertising | NIL | 87.50 |
| | | (1,609.94) | (3,939.11) |
| **593,939.00** | | **(4,979.34)** | **35,242.70** |
| | REPRESENTED BY | | |
| | Fixed Charge IB Current | | 26,376.43 |
| | Fixed VAT Receivable | | 685.71 |
| | Floating Charge IB Current | | 8,066.27 |
| | Floating VAT Control Account | | 714.17 |
| | Floating VAT Payable | | (1,340.00) |
| | Floating VAT Receivable | | 740.12 |
| | | | **35,242.70** |

Note: Funds are being held in interest-bearing accounts.

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# Appendix 3 – Schedule of expenses

A summary of the expenses incurred during the period of this report is set out below:

| Expenses | Accrued and unpaid to date (£) | Paid in the period (£) | Incurred in the period (£) | Total (£) |
|---|---|---|---|---|
| Contractor costs | - | 1,000.00 | - | 1,000.00 |
| Legal fees/ Pre-administration costs | - | 4,250.00 | - | 4,250.00 |
| Bank charges | - | 2.80 | - | 2.80 |
| Joint Administrators' time costs | 101,808.20 | - | 66,063.50 | 167,871.70 |
| Joint Administrators' disbursements | 706.66 | - | 11.53 | 718.19 |
| **Total** | **102,514.86** | **5,252.80** | **66,075.03** | **173,842.69** |

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Dimitri Golovanovs at Alvarez & Marsal Europe LLP, Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW.

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# Appendix 4 – Charging and disbursement policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax and VAT from A&M in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditor's Guide to Joint Administrators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available via the Portal.

If you are unable to access this guide and would like a copy, please contact Dimitri Golovanovs at Alvarez & Marsal Europe LLP, Suite 3 Regency House, 91 Western Road, Brighton, BN1 2NW.

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration, using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

| **Charge-out rates (£/hour) for: Restructuring** | |
|---|---|
| Grade | **From 18 November 2019** |
| Managing Director | 675 |
| Senior Director | 635 |
| Director | 595 |
| Associate Director | 535 |
| Senior Associate | 455 |
| Associate | 335 |
| Analyst | 225 |
| Support | 165 |

Where funds permit the office holders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

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*Category 1 disbursements:* These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

*Category 2 disbursements:* These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by A&M Restructuring include mileage at a rate of 45p per mile. When carrying an A&M passenger, no additional cost per passenger will be charged.

| **Disbursements for the period to 17 November 2020** | | | | |
|---|---|---|---|---|
| | **Category** | **Accrued not paid (£)** | **Paid (£)** | **Total (£)** |
| Postage | Category 1 | 11.22 | Nil | 11.22 |
| | | | | |
| **Total** | | **11.22** | **Nil** | **11.22** |

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

Category 2 disbursements are to be approved in the same manner as our remuneration.

Please refer to the table below for a detailed breakdown of our time costs summary for the period of this report in accordance with SIP9:

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**Stanian Transport Ltd - in Administration**
**Time incurred in the period of this report**

| Classification of Work Function | Managing Director | Senior Director | Director | Associate Director | Senior Associate | Associate | Analyst | Administrative staff | Total Hours | Time cost (£) | Average Hourly Rate (£) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Engagement Control | 1.00 | 1.00 | - | - | 20.90 | - | 2.00 | - | 24.90 | 11,269.50 | 452.59 |
| Appointment and risk | 0.50 | 1.00 | - | - | - | - | - | - | 1.50 | 972.50 | 648.33 |
| Proposals, Reporting and Remuneration | 2.30 | 3.00 | - | 2.20 | 13.60 | - | 18.00 | 0.10 | 39.20 | 14,889.00 | 379.82 |
| Correspondence and Statutory Filing | 0.50 | 6.50 | - | - | 2.50 | - | 5.80 | 0.50 | 15.80 | 6,990.00 | 442.41 |
| Investigations | - | 4.50 | - | - | - | - | - | - | 4.50 | 2,857.50 | 635.00 |
| Asset Realisations | - | 18.50 | - | 0.30 | 4.40 | - | - | - | 23.20 | 13,910.00 | 599.57 |
| Tax | - | 2.20 | - | - | 9.20 | - | 5.80 | - | 17.20 | 6,888.00 | 400.47 |
| Cashiering | - | - | - | - | 7.50 | - | 2.50 | - | 10.00 | 3,975.00 | 397.50 |
| Employees & Pensions | 0.50 | - | - | 0.20 | 0.50 | - | - | - | 1.20 | 672.00 | 560.00 |
| Claims & Distributions | - | - | - | - | 8.00 | - | - | - | 8.00 | 3,640.00 | 455.00 |
| **Total hours** | **4.80** | **36.70** | **-** | **2.70** | **66.60** | **-** | **34.10** | **0.60** | **145.50** | **66,063.50** | **454.04** |
| **Totals fees incurred in the period of this report (£)** | **3,240.00** | **23,304.50** | **-** | **1,444.50** | **30,303.00** | **-** | **7,672.50** | **99.00** | **145.50** | **66,063.50** | **454.04** |
| | | | | | | | | | | | |
| **Total fees incurred c/f** | **6,817.50** | **48,323.50** | **2,975.00** | **438.70** | **26,936.00** | **5,360.00** | **10,957.50** | **-** | **215.92** | **101,808.20** | **471.51** |
| **Total fees incurred during administration (£)** | **10,057.50** | **71,628.00** | **2,975.00** | **1,883.20** | **57,239.00** | **5,360.00** | **18,630.00** | **99.00** | **361.42** | **167,871.70** | **464.48** |

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| SIP 9 narrative | | | |
|---|---|---|---|
| **Type of work** | **Narrative description of work** | **Why was/is this work necessary?** | **What, if any financial benefit has/will the work provide to creditors?** |
| **Engagement control** | - Monitoring and reviewing the administration strategy<br>- Briefing our staff on the administration strategy and matters in relation to various work-streams<br>- Regular case management and reviewing of process, including regular team update meetings and calls<br>- Meeting with management to review and update strategy and monitor progress<br>- Reviewing and authorising junior staff correspondence and other work<br>- Dealing with queries arising during the appointment<br>- Reviewing matters affecting the outcome of the administration<br>- Allocating and managing staff/case resourcing and budgeting exercises and reviews<br>- Liaising with legal advisers regarding the various instructions, including agreeing content of engagement letters<br>- Complying with Internal filing and information recording practices, including documenting strategy decisions | - To ensure that matters are being progressed in the most efficient way so that the costs of dealing with the administration are kept to a minimum. Additionally, it allows for regular reviews of the administration strategy such that assets can be identified where available and realised for the benefit of the administration estate and its creditors. | - None. |
| **Appointment & risk** | - Liaising with security providers to ensure adequate security is in place for the administration<br>- Liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place. | - To ensure that we comply with statute and that the Company's assets are protected for the benefit of the creditors. | - None. |
| **Reports, decision making & remuneration** | - Preparing statutory receipts and payments accounts<br>- Drafting and publishing our progress reports<br>- Obtaining approval from the secured creditor for a 12-month extension of the administration<br>- Ensuring compliance with all statutory obligations within the relevant timescales<br>- Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9 | - To comply with statute, as well as ensuring that creditors are informed of progress. | - None. |

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| SIP 9 narrative | | | |
|---|---|---|---|
| **Type of work** | **Narrative description of work** | **Why was/is this work necessary?** | **What, if any financial benefit has/will the work provide to creditors?** |
| | - Preparing and reviewing the expenses estimate<br>- Seeking approval of the basis of remuneration from the secured creditor | | |
| **Correspondence & statutory filing** | - Uploading information to the Portal<br>- Providing statutory notifications in relation to our appointment to the Registrar of Companies, creditors and other stakeholders<br>- Providing written and oral updates to representatives of Positive regarding the progress of the administration and case strategy<br>- Dealing with creditor queries | - To comply with statute, as well as ensuring that creditors are informed of progress on a periodic basis. | - None. |
| **Investigations** | - Reviewing pre-appointment transactions<br>- Liaising with solicitors and other third parties in relation to pre-appointment transactions and litigation | - To comply with statute and to investigate what other asset recoveries might be available for creditors. | - Further asset recoveries might be identified as part of our investigation work, which, if successfully realised, would increase asset realisations for the benefit of the creditors. |
| **Asset realisations** | - Collating information from the Company's records regarding assets<br>- Liaising with the secured creditor regarding debtor recoveries<br>- Liaising with legal advisors in relation to the two legal claims | - To ensure that all the Company's assets are realised and that the costs and expenses of the administration can be met, with any surplus going to the benefit of the Company's creditors. | - The higher the realisations the better the prospect that creditors will receive a dividend. |

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| SIP 9 narrative | | | |
|---|---|---|---|
| **Type of work** | **Narrative description of work** | **Why was/is this work necessary?** | **What, if any financial benefit has/will the work provide to creditors?** |
| **Tax** | - Working initially on tax returns relating to the periods affected by the administration<br>- Analysing VAT related transactions<br>- Dealing with post appointment tax compliance<br>- Deregistering the Company from VAT | - To comply with filing deadlines and other communication with HMRC. | - None. |
| **Cashiering** | - Preparing and processing vouchers for the payment of post-appointment invoices<br>- Reconciling post-appointment bank accounts to internal systems<br>- Ensuring compliance with appropriate risk management procedures in respect of receipts and payments | - To comply with statute and maintain a proper treasury and accounting function for the administration estate. | - None. |
| **Employees & pensions** | - Dealing with queries from employees regarding various matters relating to the administration and their employment<br>- Ensuring compliance with our duties to issue statutory reports<br>- Liaising with Clumber regarding the submission of claims to the Redundancy Payments Service in relation to the pension contributions which were made by employees but not paid over by the Company. | - To comply with statute and ensure that employees are treated fairly. | - Ensure that claims to the Redundancy Payments Service are submitted in a timely manner. |
| **Claims & distributions** | - Reviewing and updating the list of unsecured creditors<br>- Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records<br>- Responding to creditors regarding queries about the administration and their claims | - To comply with statute, keeping creditors informed and ensuring that claims made against the Company are accurate and up to date. | - Ensuring that, should a dividend be paid, the distribution is accurate. |

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# Appendix 5 – Glossary

Any references in these proposals to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency (England and Wales) Rules 2016 respectively.

| Defined Terms | Definition |
|---|---|
| A&M | Alvarez & Marsal Europe LLP |
| | Aaron & Partners LLP |
| Clumber | Clumber Consultancy Limited |
| Company | Stanian Transport Limited – in administration |
| HNC/Purchaser | HNC Transport Limited |
| Directors | Theresa Chambers and Phillip Chambers |
| Joint Administrators/we/our/us | Paul Andrew Flint and Mark Granville Firmin |
| Knights | Knights PLC |
| Parent Company | Stanian Holdings Limited |
| Secured creditor/Positive | Positive Cashflow Finance Limited |
| SIP9 | Statement of Insolvency Practice 9 |
| SPA | Sale and Purchase Agreement |

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# Appendix 6 – Notice: About this progress report

This progress report been prepared by Paul Flint and Mark Firmin, the Joint Administrators of Stanian Transport Limited ('the Company'), solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or any other company in the same group.

Any estimated outcomes for creditors included in this progress report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this progress report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Paul Flint and Mark Firmin are authorised to act as insolvency practitioners by The Institute of Chartered Accountants in England and Wales.

We are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agent for the Company without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Alvarez & Marsal Europe LLP does not assume any responsibility and will not accept any liability to any person in respect of this progress report or the conduct of the administration.

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