

CVA4

Notice of termination or full implementation of voluntary arrangement



Companies House

TUESDAY



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17/09/2019

#44

COMPANIES HOUSE

1 Company details

Company number 0 1 6 8 7 4 3 2

Company name in full Aspray Transport Limited

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

2 Supervisor's name

Full forename(s) Damian

Surname Webb

3 Supervisor's address

Building name/number 25 Farringdon Street

Street

Post town

London

County/Region

Postcode

E C 4 A 4 A B

Country

4 Supervisor's name *

Full forename(s) Adrian

Surname Allen

* Other supervisor
Use this section to tell us about
another supervisor.

5 Supervisor's address *

Building name/number 25 Farringdon Street

Street

Post town

London

County/Region

Postcode

E C 4 A 4 A B

Country

* Other supervisor
Use this section to tell us about
another supervisor.

CVA4

Notice of termination or full implementation of voluntary arrangement

6 Date voluntary arrangement fully implemented or terminated

Date

d	1	d	6	m	0	m	8	y	2	y	0	y	1	y	9
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

7 Attachments

☒ I have attached a copy of the notice to creditors

☒ I have attached the supervisor's report

8 Sign and date

Supervisor's signature

Supervisor's signature

X *Alan V...*

X

Signature date

d	1	d	3	m	0	m	9	y	2	y	0	y	1	y	9
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

CVA4

Notice of termination or full implementation of voluntary arrangement



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	Joseph Boulton
Company name	RSM Restructuring Advisory LLP
Address	25 Farringdon Street
Post town	London
County/Region	
Postcode	E C 4 A 4 A B
Country	
DX	
Telephone	0203 201 8000



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 and dated 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

Aspray Transport Limited Under a Voluntary Arrangement

(‘the Company’)

In the High Court of Justice, Business and Property Courts, Insolvency and Companies List No 0314 of 2019

Joint Supervisors' termination report

13 September 2019

Damian Webb and Adrian Allen

Joint Supervisors

RSM Restructuring Advisory LLP

25 Farringdon Street

London

EC4A 4AB

Tel: 0203 201 8000

Email: restructuring.london.core@rsmuk.com

Sections

1. Introduction
2. Failure
3. Receipts and payments
4. Distribution to creditors
5. Assets
6. Exercise of discretion / Extension of duration
7. Costs and disbursements

Appendices

- A. Notice of termination
- B. Summary of receipts and payments
- C. Joint Supervisors' time cost analysis
- D. Joint Supervisors' current charge out and disbursement rates
- E. Joint Supervisors' category 2 disbursement table
- F. Charging, expenses and disbursements policy statement

1. Introduction

I refer to the appointment of Adrian Allen and I as Joint Supervisor of the above Company Voluntary Arrangement approved by creditors on 23 April 2019.

The purpose of the report is to provide creditors with a final report on the Company Voluntary Arrangement ('CVA'), which has terminated. A copy of the report has been sent to the court, the Registrar of Companies and to the Company.

2. Failure

Trading

Following the implementation of the CVA on 23 April 2019, the business was provided with additional working capital facilities to fund the businesses turnaround. Management believed the business post CVA would be initially loss making, but that as the cost reductions associated with the CVA materialised the losses would decline. In addition, the acquisition of new clients was anticipated which would gradually enable the business to return to profitability. Consequently, management were confident that with a supportive parent company the business would trade through its short term difficulties.

However, trading post CVA continued to deteriorate, principally due to customers having stockpiled in anticipation of Brexit and as a result of fewer sales which were linked to lower transport volumes. Due to the breadth of customers it was difficult to identify discernible trends which would enable the Company to supplement and/or diversify its income stream. Notwithstanding management's efforts to turn the business around and introduce new customers, it was apparent that orders and volumes by customers were continuing to decline at an unsustainable rate. In discussions with third parties management identified lower activity in its core building market which led to lower demand for fastenings and locks, the Company's specialist product it distributed. The lower activity in the building sector being attributed to a loss of confidence in the building sector due to the uncertainty associated with Brexit.

Management took various actions to address the performance, including the appointment of a new Managing Director. Although the business continued to be loss making management believed that improvements in operational performance and on-going business development would lead to the acquisition of new customers which would return the Company to profitable. Nascent discussions were being conducted over the summer and it was anticipated new customers would be on-boarded in late Q3 and Q4.

Vehicle Operating License ('O License')

The Company were notified on the 27 June 2019 that the Traffic Commissioner was commencing a public enquiry into the Company, principally due to historic breaches of the operating license. The public enquiry being scheduled for 5 August 2019. Management immediately instructed legal advisors to advise and address this matter.

The regulator required that as a result of this non-compliance and the CVA, the Company was required to invest £2m of new capital in the business to maintain its operator status. Although supportive of the business the parent company could not justify this level of investment noting the current difficult trading conditions and future uncertainty in the sector associated with Brexit. Consequently, management approached a number of interested parties focused on the sale/ transfer of the transport business. Initial conversations were positive and it was anticipated that the business would be sold/ transferred to a party looking to expand their transport operations. However, the negotiations with the key party broke down on the 19 July 2019, consequently in the week commencing 22 July 2019 management approached Benjamin Wiles of Duff and Phelps Limited to provide insolvency advice.

Appointment of Administrators

On the 16 August 2019 Benjamin Wiles and Allan Graham of Duff & Phelps Limited were appointed as Joint Administrators.

Per Clause 27.5 of the CVA Proposal ('the Proposal'), the CVA would automatically terminate following Administrators being appointed to the Company, within the meaning of Schedule B1 of the Insolvency Act 1986.

Aspray Transport Limited - Under a Company Voluntary Arrangement
contd.

A copy of the Notice of Termination for the CVA is attached at Appendix A.

It is not my intention to present a winding-up petition against the Company, as the Company is already in Administration.

3. Receipts and payments

There have been no receipts and payments during the CVA. A copy of my account, showing the same, is attached.

4. Distributions to creditors

4.1 Secured creditors

There has been no distribution to secured creditors in the arrangement.

4.2 Preferential creditors

No dividend has been paid to preferential creditors in the arrangement.

4.3 Unsecured creditors

The Company's statement of affairs appended to the Proposal identified 293 unsecured creditors owed a total of £13,705,000.

No dividend will be paid as no funds have been realised.

5. Assets

No assets were realised during the CVA.

6. Exercise of discretion / Extension of duration

There has been no exercise of discretion or extension of duration during the CVA.

7. Costs and disbursements

A Guide to Supervisors' Fees, which provides information for creditors in relation to the remuneration of a Supervisor, can be accessed at <https://rsm.insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

7.1 Joint Nominees' fees

The basis of the Joint Nominee's fees was dealt with in the Proposal at Paragraph 21 and Schedule 3 (Paragraph 3.1) and is exempt of VAT.

The Joint Nominee's fees related to assisting the directors of the Company in the preparation of the Proposal, reporting to court on the Proposal and in calling and chairing the meetings of the Company and of the creditors.

The Company paid £25,000 on account of my fees as Joint Nominee prior to the approval of the CVA.

Our disbursements as Joint Nominee were dealt with at Paragraph 21 and Schedule 3 (Paragraph 3.1) to the Proposal and amounted to £2,295.48 in respect of travel, subsistence and postal charges, excluding VAT. £687.40 of this has been paid by the Company, with £1,608.08 remaining outstanding, and which will be claimed in the Administration. No category 2 disbursements were incurred by the Joint Nominees.

Disbursements charged to the estate as a consequence of the Joint Nominees' services are exempt of VAT. Certain third-party disbursements may include VAT. However, where the Nominees' services are exempt of VAT this VAT cannot be recovered.

7.2 Joint Supervisors' costs

The basis of the Joint Supervisors' remuneration was dealt with in the Proposal at Paragraph 21 and Schedule 3 (Paragraph 3.2) and is exempt of VAT.

**Aspray Transport Limited - Under a Company Voluntary Arrangement
contd.**

Time costs in the period of £25,118 representing 77.2 hours have been incurred. A breakdown of these is attached.

The Joint Supervisors' total costs for the entire CVA were estimated in the Proposal at £50,000. These costs are therefore in accordance with that estimate.

No funds have been drawn from the CVA or paid by the Company in respect of these costs. The full balance will be claimed in the Administration.


The Joint Supervisors have also incurred disbursements, in accordance Paragraph 21 and Schedule 3 (Paragraph 3.2) of the Proposal, of £1,485.89 which have not been paid from the CVA or paid by the Company and the full balance will be claimed in the Administration.

Disbursements charged to the estate as a consequence of the Joint Supervisors' services are exempt of VAT. Certain third-party disbursements may include VAT. However, where the Joint Supervisors' services are exempt of VAT this VAT cannot be recovered.

A tabulation of the total time spent analysed by grade of staff and by activity, together with details of current charging rates, are attached.

As this matter is now concluded, there will be no further reports to creditors, however if you have any queries on the contents of this report, please do not hesitate to contact Joseph Boulton of my office.

Yours faithfully



Damian Webb
RSM Restructuring Advisory LLP
Joint Supervisor

restructuring.london.core@rsmuk.com

Encis

Damian Webb is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
Adrian Allen is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

Appendix A

Notice of Termination

**In the High Court of Justice, Business and Properties Courts, Insolvency No. 0314 of 2019
and Companies List**

In the matter of Aspray Transport Limited - Under a Company Voluntary Arrangement

Company number: 01687432

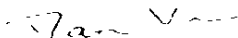
And

In the matter of the Insolvency Act 1986

Notice of termination pursuant to Rule 2.44 of the Insolvency (England and Wales) Rules 2016

Notice is hereby given under Rule 2.44 of the Insolvency (England and Wales) Rules 2016 that the Company Voluntary Arrangement approved by creditors on 23 April 2019, having **failed** was terminated on 16 August 2019.

Dated: 13 September 2019



Damian Webb
RSM Restructuring Advisory LLP
Joint Supervisor

Name, address & contact details of Joint Supervisor appointed on 23 April 2019

Primary Office Holder

Damian Webb
25 Farringdon Street, London, EC4A 4AB
Tel: 020 3201 8000
Email: restructuring.london.core@rsmuk.com
IP Number: 14970

Joint Office Holder:

Adrian Allen
25 Farringdon Street, London, EC4A 4AB
Tel: 0115 964 4450
Email: restructuring.london.core@rsmuk.com
IP Number: 008740

Appendix B

Receipts & Payments Account

	23 April 2019 to 16 August 2019	
	£	£
Receipts	<hr/>	
	NIL	
		NIL
Payments	<hr/>	
	NIL	
		NIL
		<hr/>
		NIL

Appendix C

Joint Supervisors' time cost analysis for the period from 23 April 2019 to 16 August 2019

Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
Administration and Planning									
Appointment	7.5	0.3	0.0	0.0	6.4	0.0	14.2	£ 6,162.50	433.98
Background information	0.0	0.0	0.0	0.0	0.3	0.0	0.3	£ 63.00	210.00
Case Management	0.0	3.8	0.0	0.0	7.1	0.2	11.1	£ 3,076.50	277.16
Director(s)/debtor/bankrupt	0.0	2.2	0.0	0.0	0.0	0.0	2.2	£ 869.00	395.00
Post-appointment - general	0.0	0.0	0.0	0.0	1.5	0.0	1.5	£ 315.00	210.00
Tax Matters	0.0	0.8	0.0	0.0	1.0	0.0	1.8	£ 570.00	316.67
Total	7.5	7.1	0.0	0.0	16.3	0.2	31.1	£ 11,056.00	355.50
Realisation of Assets									
Land and Property	0.0	1.1	0.0	0.0	1.4	0.0	2.5	£ 789.00	315.60
Sale of business	0.0	0.0	0.0	0.0	0.2	0.0	0.2	£ 42.00	210.00
Total	0.0	1.1	0.0	0.0	1.6	0.0	2.7	£ 831.00	307.78
Trading									
Trading	0.0	5.7	0.0	0.0	0.0	0.0	5.7	£ 2,565.00	450.00
Total	0.0	5.7	0.0	0.0	0.0	0.0	5.7	£ 2,565.00	450.00
Creditors									
1st creditors/shareholders meetings and reports	0.0	0.0	0.0	0.0	4.0	0.0	4.0	£ 840.00	210.00
Employees	0.0	2.4	6.2	0.0	2.5	0.0	11.1	£ 2,862.00	257.84
Preferential Creditors	0.0	0.0	0.0	0.0	0.3	0.0	0.3	£ 57.00	190.00
Unsecured Creditors	0.0	9.5	0.0	0.0	12.8	0.0	22.3	£ 6,907.00	309.73
Total	0.0	11.9	6.2	0.0	19.6	0.0	37.7	£ 10,666.00	282.92
Total Hours (from 23 April 2019 to 16 August 2019)	7.5	25.8	6.2	0.0	37.5	0.2	77.2	£ 25,118.00	325.36
Total Time Cost (from 23 April 2019 to 16 August 2019)	£ 4,687.50	£ 11,461.50	£ 1,271.00	£ 0.00	£ 7,680.00	£ 18.00	£ 25,118.00		
Total Hours	7.5	25.8	6.2	0.0	37.5	0.2	77.2	£ 25,118.00	325.36
Total Time Cost	£ 4,687.50	£ 11,461.50	£ 1,271.00	£ 0.00	£ 7,680.00	£ 18.00	£ 25,118.00		
Average Rates	625.00	444.24	205.00	0.00	204.80	90.00	325.36		

Please note that we have re-designed our SIP9 analysis table to provide a more detailed analysis of the grades of staff within the firm. Please note that this change does not alter the value of time costs recorded, purely the column within the table to which that time, and cost, has been allocated.

Appendix D

RSM Restructuring Advisory LLP

Joint Supervisors' current charge out and disbursement rates

Hourly charge out rates	Rates at commencement £	Current rates £
Partner	625	625
Directors / Associate Directors	450 to 575	450 to 575
Manager	345	345
Assistant Managers	280	280
Administrators	105 to 210	105 to 210
Support staff	90 to 190	90 to 190

'Category 2' disbursement rates	
Internal room hire	Dependent on location
Subsistence	£25 per night (from 3rd September 2013) £23 per night (up to 2nd September 2013)
Travel (car)	38p per mile (up to and including 31 March 2010) 40p per mile (from 1 April 2010) 42.5p per mile (from 1 April 2011)
"Tracker" searches	£10 per case

Appendix E

RSM Restructuring Advisory LLP

Joint Supervisors' category 2 disbursements table

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest		
Recipient, type and purpose	Paid £	Unpaid £
No Category 2 disbursements incurred	N/A	N/A
Total	N/A	N/A

Appendix F

RSM Restructuring Advisory LLP

Charging, expenses and disbursements policy statement

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
- The current charge rates for RSM Restructuring Advisory LLP LONDON are attached.
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A decision regarding the approval of category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP were sought from the relevant approving party in accordance with the legislative requirements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.