

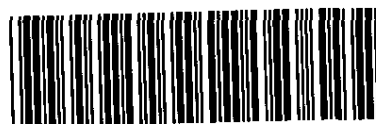
AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A12 21/03/2018 #251
COMPANIES HOUSE

1 Company details

Company number 04808522

Company name in full Park Royal Haulage Limited

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

2 Administrator's name

Full forename(s) Julien

Surname Irving

3 Administrator's address

Building name/number Leonard Curtis

Street Tower 12, 18/22 Bridge Street

Spinningfields

Post town Manchester

County/Region

Postcode M3 3BZ

Country

4 Administrator's name ①

Full forename(s) Andrew

Surname Poxon

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street Tower 12, 18/22 Bridge Street

Spinningfields

Post town Manchester

County/Region

Postcode M3 3BZ

Country

② 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	7	m	0	m	8	y	2	y	0	y	1	y	8
To date	d	1	d	6	m	0	m	2	y	2	y	0	y	1	y	8

7 Progress report

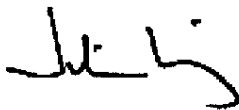
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d		d		m		m		y		y		y		y	
---	--	---	--	---	--	---	--	---	--	---	--	---	--	---	--

**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

Joe Thompson

Company name

Leonard Curtis

Address

Tower 12, 18/22 Bridge Street

Spinningfields

Manchester

Post town

County/Region

Postcode

M 3 3 B Z

Country

DX

Telephone

0161 831 9999

**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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

PARK ROYAL HAULAGE LIMITED
(IN ADMINISTRATION)

Registered Number: 04808522

Court Ref: 2740/2017

Manchester District Registry of the High Court

**Joint Administrators' first progress report in accordance
with Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

Report period
17 August 2017 to 16 February 2018

16 March 2018

Julien Irving and Andrew Poxon - Joint Administrators
Leonard Curtis
Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ
Tel: 0161 831 9999 Fax: 0161 831 9090
General email: recovery@leonardcurtis.co.uk
Ref: M/38/JTO/SP898K/1010

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- B Summary of Joint Administrators' Receipts and Payments Account for the Period from 17 August 2017 to 16 February 2018
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**STRICTLY PRIVATE AND CONFIDENTIAL
NOT FOR PUBLICATION**

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules") to provide creditors with an update on the progress of the Administration of Park Royal Haulage Limited ("the Company") for the period from 17 August 2017 to 16 February 2018. This is the Joint Administrators' first progress report to creditors.

2 STATUTORY INFORMATION

- 2.1 Julien Irving and Andrew Poxon were appointed as Joint Administrators of the Company in the jurisdiction of Manchester District Registry of the High Court, number 2740/2017 on 17 August 2017. The Administration appointment was made by the Director. The Joint Administrators can confirm that there has been no change in office-holder since the date of Administration.
- 2.2 The Administration is being handled by the Manchester office of Leonard Curtis, which is situated at Tower 12, 18/22 Bridge Street, Spinningfields, Manchester M3 3BZ.
- 2.3 The principal trading address of the Company was Borden Way, Croft Lane, Hollins Vale, Bury, BL9 8QQ. The business traded under its registered name.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was Borden Way, Croft Lane, Hollins Vale, Bury, BL9 8QQ. Following the appointment, this was changed to Tower 12, 18/22 Bridge Street, Spinningfields, Manchester, M3 3BZ. The registered number of the Company is 04808522.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

3 JOINT ADMINISTRATORS' PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were approved following a decision of creditors conducted by correspondence on 26 October 2017.
- 3.3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.

- 3.4 The objective of the Administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in administration).
- 3.5 This objective is likely to be achieved as it is anticipated that there will be a distribution to the unsecured creditors. In the event that this objective is not achievable, then the third objective, namely realising property in order to make a distribution to one or more secured or preferential creditors, will be achieved as it is anticipated that preferential creditors will be repaid in full.

4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 17 August 2017 to 16 February 2018.

4.2 Book debts

On our appointment, the Company held a book debt ledger of £351,529.

At the date of appointment, the directors identified specific provisions of £82,255 which were not considered collectible.

The Joint Administrators initially retained the services of the credit controller to assist in collection however he was subsequently made redundant in October 2017.

In addition, Cerberus Receivables Management ("CRM") have been instructed by the Joint Administrators to oversee collections and assist where required.

To date, book debt realisations total £235,227.93, which is in excess of the initially estimated figure. Collections are ongoing however future collections are uncertain.

4.3 Fixtures and Fittings

The Company held a small amount of office furniture and equipment and workshop equipment on our appointment.

Cerberus Asset Management ("CAM") were instructed to provide a desktop valuation of these assets and advised that the items had an in-situ value of £1,155 and a low ex-situ value of £375.

An offer of £1,000 has been received for these assets from a connected party which has been accepted. Receipt of the funds is anticipated shortly.

4.4 Connected Party Debtors

The Company records detail a sum of £11,716 due from connected parties, in respect of loan accounts.

The Joint Administrators have conducted a review of the sums due and have requested payment of the sums due.

Any realisations will be communicated to creditors in future reports.

4.5 Cash at Bank

The Joint Administrators' Report & Proposals detail a sum of £150,339.28 was anticipated to be received. I can advise that a sum of £145,627.35 has been received. The balance relates to debtor monies which were received on or shortly before appointment but were not banked until after our appointment. As such, the balance is therefore reflected in the increased debtor collections.

4.6 Bank Interest

Bank interest in the sum of £20.64 has been received in the period of this report.

5 ASSETS STILL TO BE REALISED

The assets which remain outstanding are the book debts detailed at 4.2, fixtures and fittings detailed at 4.3 and connected party debtors detailed at 4.4.

6 INVESTIGATIONS

6.1 Following their appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.

6.2 The Joint Administrators are aware of a number of antecedent transactions. These investigations are continuing and the relevant parties have been contacted.

6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

Pre-Administration Costs

7.1 On 26 October 2017, the general body of creditors consented to the following pre-Administration costs and expenses being paid as an expense of the Administration:

Charged by		Services provided	Total amount charged £
Leonard Curtis		Providing insolvency advice to the directors and the Company on the available options, assisting with employee redundancies, dealing with the appointment formalities including servicing of documents on Natwest as required.	£30,471.00
Cerberus Asset Management		Review of assets position, assistance on site with regards security, cessation of trade and redundancies.	£5,000.00
TOTAL			£35,471.00

The costs that have been paid are detailed in the receipts and payments account attached at Appendix B. The outstanding costs, namely CAM, will be paid shortly.

Joint Administrators' Remuneration

- 7.2 On 26 October 2017, the general body of creditors agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration for an amount not exceeding £132,721.50, as set out in a Fees Estimate.
- 7.3 The time charged by the Joint Administrators for the period of this report amounts to £120,049. This represents 351.4 hours at an average rate of £341.63 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed. We also detail where further work is expected to be undertaken and why.
- 7.4 Attached, at Appendix D, is a summary of time costs incurred to date compared with time costs as set out in the Joint Administrators original fees estimate.
- 7.5 You will note that time costs incurred to date do not exceed the time as set out in the Fees Estimate. As demonstrated at Appendix D, costs attributable to each category of time generally fall within those anticipated. The areas where significant variance has occurred relate to Receipts and Payments, Post Appointment Creditors Meeting and Investigations.
- 7.6 The time attributed to the Receipts & Payments tab is higher than the fees estimate by £3,363.00. This has been due to conducting reconciliations of the bank accounts to clarify the difference in respect of the cash at bank held on appointment. In addition, increased time has been spent preparing the pre appointment VAT returns. In addition, increased sums in respect of debtors have been received which have required posting to the Joint Administrators' accounting system.
- 7.7 Time incurred to the Post Appointment Creditors Meeting tab is more than the fees estimate by £3,208.50. More time was spent preparing the Joint Administrators' Report and Proposals than originally anticipated given the complexity of the case.
- 7.8 Time incurred to the Investigations tab is £4,591.50 higher than that of the fees estimate. As the Joint Administrators have become aware of a number of antecedent transactions, a more thorough review of company records was required. Time incurred consists of reviewing bank statements, undertaking a review of electronic records, liaising with our appointed solicitors and the connected parties. The time spent in this category has increased compared to what was initially anticipated from the Joint Administrators' initial assessment.
- 7.9 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. The Joint Administrators anticipate that the Fees Estimate will be exceeded and it may be necessary for the Joint Administrators to revert to the general body of creditors for further approval in due course. It should be noted that fees drawn will not exceed the sum approved by creditors until further approval is sought and received. The information provided above is therefore for information purposes only.
- 7.10 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" which may be downloaded from:
<https://www.r3.org.uk/what-we-do/publications/professional/fees>
- 7.11 If you would prefer this to be sent to you in hard copy please contact Joe Thompson of this office on 0161 831 9999.
- 7.12 The remuneration drawn by the Joint Administrators to date totals £93,529 plus VAT.

8 JOINT ADMINISTRATORS' EXPENSES

- 8.1 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs).

These are known as "Category 2 disbursements" and are subject to the approval of the creditors. On 26 October 2017, the general body of creditors approved that category 2 disbursements could be drawn by the Joint Administrators, as detailed at Appendix F.

- 8.2 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix E.
- 8.3 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses.
- 8.4 Attached at Appendix F is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.
- 8.5 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.
- 8.6 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.
- 8.7 The application must be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 8.8 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Administration.

9 ESTIMATED OUTCOME FOR CREDITORS

9.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix G.

9.2 Secured Creditors

Natwest

Natwest hold security by way of a debenture created on 22 July 2003 and provided funding by way of an overdraft with a limit of £100,000.

On our appointment, the Company's accounts were in credit. As such, Natwest have no claim in the Administration.

9.3 Preferential Claims

The only categories of claims which have preferential status are those of employees in respect of wages (up to £800 each) and accrued holiday pay and outstanding pension contributions (to statutory limits).

I can advise that all employees (with the exception of the credit controller) were made redundant by the directors, with the assistance of the Administrators and Insol, on cessation of trade on 7 August 2017.

The credit controller was initially retained in order to assist in the debtor collections however was made redundant in October 2017.

All salaried employees were owed wages from 1 August 2017 whilst weekly paid employees were owed wages from 17 July 2017.

Employees also had claims for holidays accrued since 1 January 2017, less days taken.

The Company records detail that further pension contributions deducted but not yet paid over are due.

The employees have made the relevant claims to the Redundancy Payments Office ("RPO") who will make certain payments to the employees and take their place as subrogated creditors. The employees may have further residual claims. We are yet to receive details of the RPO's claim however, for illustrative purposes, Insol, employee agents, have estimated preferential claims to total £31,598.

9.4 Prescribed Part

As the Company has no unsatisfied post-Enterprise Act charges, there will be no requirement to set aside a prescribed part in this case.

9.5 Unsecured Non-Preferential Claims

From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims under £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.

All non-preferential claims will be subject to agreement by a subsequently appointed Liquidator in due course, should liquidation be the appropriate exit route from the administration process.

Based on current information, it is expected that there will be a distribution to the unsecured creditors.

PARK ROYAL HAULAGE LIMITED – IN ADMINISTRATION

If you have not already done so, please submit details of your claim to my office. A proof of debt form is attached at Appendix H for your ease of use.

10 MATTERS STILL TO BE DEALT WITH

10.1 Matters still to be dealt with before conclusion of the Administration include the following:

- The realisation of the remaining assets, as detailed in sections 4 and 5;
- The formal agreement and payment of preferential creditor claims;
- Progress investigations,
- The unpaid remuneration and expenses will need to be defrayed; and
- Finalise the Administration, likely by way of conversion to Creditors Voluntary Liquidation.

11 EXTENSIONS TO THE ADMINISTRATION

11.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.

11.2 In certain circumstances it may be necessary to extend the administrators' term of office. In the context of this case, this may be done for a specified period not exceeding twelve months as follows:

- with the consent of each secured creditor of the Company; and
- a decision of the unsecured creditors in a decision procedure.

11.3 We do not believe that an extension to the Administration will be necessary in this case.

11.4 The Joint Administrators will be discharged from liability immediately upon their appointment as Administrators ceasing to have effect.

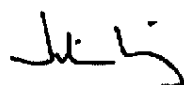
12 NEXT REPORT

12.1 The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully
for and on behalf of

PARK ROYAL HAULAGE LIMITED



JULIEN IRVING
JOINT ADMINISTRATOR

Julien Irving and Andrew Poxon are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 13092 and 8620, respectively

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation. It is further proposed that Julien Irving and/or Andrew Poxon be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65(3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Julien Irving and/or Andrew Poxon be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
17 AUGUST 2017 TO 16 FEBRUARY 2018**

	Estimated to realise £	This period £
RECEIPTS		
Cash at Bank	150,339	145,627.15
Fixtures and Fittings	1,000	-
Trade Debtors	215,347	235,227.93
Stock	-	-
Connected Party Debtors	-	-
Prepayments and Investments	-	-
Bank Interest	-	20.64
Rates Refund	-	8,827.36
	<u>366,686</u>	<u>391,261.42</u>
PAYMENTS		
Destruction Costs		549.89
Pre Appointment Fee		30,471.00
Joint Administrators' Remuneration		93,529.00
Debt Collection Expenses		22,227.67
Legal Fees		2,075.00
Other Professional Fees		6,595.00
Category 1 Disbursements		662.02
Category 2 Disbursements		288.00
Bank Charges		30.00
Wages and Salaries		3,1478.66
		<u>159,576.24</u>
BALANCE IN HAND		<u>231,685.18</u>

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 17 AUGUST 2017 TO 16 FEBRUARY 2018**

	Units	Total Cost £	Average Hourly Rate £
Statutory & Review	200	7,627.50	381.38
Receipts & Payments	242	5,962.50	246.38
Insurance	63	1,939.50	307.86
Assets	898	36,532.00	406.36
Liabilities	633	18,093.50	285.84
Landlords	58	1,798.00	310.00
General Administration	117	3,205.00	273.93
Pre-Appt Creds Meetings	10	450.00	450.00
Appointment	286	8,633.50	301.87
Planning & Strategy	48	1,248.00	260.00
Post Appointment Creds Mtngs	462	15,209.00	329.20
Investigations	413	17,257.50	417.86
LEGAL SERV - Preparation	72	1,906.00	264.72
LEGAL SERV - Attendance	1	26.00	260.00
LEGAL SERV - Drafting docs	7	105.00	150.00
LEGAL SERV - Letter Out	1	26.00	260.00
LEGAL SERV - Tel Call	1	15.00	150.00
LEGAL SERV - Email Out	1	15.00	150.00
Total	3,514	120,049.00	

Average Hourly Rate (£) 341.63

All Units are 6 minutes

DESCRIPTION OF TIME SPENT BY CATEGORY

Statutory and Review

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work will not directly result in any monetary value for creditors, it will ensure that the case is managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work to be carried out under this category will comprise the following:

- Case management reviews - LC Compliance Department has spent time during the Administration reviewing the Joint Administrators' case files. This involved reviewing all correspondence, statutory documentation, creditor claims, asset realisations and procedures undertaken by the Joint Administrators before and upon their appointment. A report encompassing details of the review has subsequently been produced containing recommendations to the Joint Administrators to ensure that all matters are being progressed and that adherence to statutory requirements continue to be met. Senior members of LC have spent time reviewing the outcome of the report. Time has also been incurred by the case administrators and managers conducting work recommended by the Compliance department. Further time has also been spent by the case administrators and managers reviewing the progress of the administration; and
- Review of directors' sworn statement of affairs and filing of document at Companies House in accordance with statutory requirements.

Receipts and Payments

This category of work will not result in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Time has been spent opening the case bank account;
- Timely completion of all post appointment tax and VAT returns – time has been spent submitting VAT Returns for the post appointment periods.
- Managing estate expenses and posting up receipts into the account; and
- Time has been spent preparing and reviewing a number of periodic estimated outcome statements ("EOS") which will be used to monitor the progress of asset realisations and the administration generally

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor.

- Notification and progression of post-appointment insurance claims;
- Calculation and request of Joint Administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors;
- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice;
- To date, the relevant s120 notices have been submitted and the Pensions Regulator has been advised that the Company is no longer an employer for the purposes of automatic enrolment;
- Time has also been spent obtaining the relevant insurances given the continued employment of the credit controller.; and
- Liaising with pension advisors to provide a report on the actions required on the matter.

PARK ROYAL HAULAGE LIMITED – IN ADMINISTRATION

Assets

- Agreeing strategy for realisation of Company assets – time has been spent monitoring debtor receipts on a regular basis. This also included liaising with CRM and the credit controller with regards to the collections. Time was also spent requesting information from the Bank in respect of post appointment debtor payments made into the Company's former current account. Time has also been spent liaising with CAM with regards to the fixtures and fittings.
- Instruction of and liaising with agents as required – time has been spent formerly instructing our agents CAM and CRM, who also advised us regarding the disposal strategy, securing, uplift and recovery of the assets.
- Liaising with Company's bankers re pre-appointment bank accounts – time has been spent contacting the bank in order to receive the cash at bank,
- Identification and dealing with any assets subject to retention of title – time has been spent liaising with creditors with regards their retention of title claim. This included initially sending them a questionnaire and liaising with them to identify their goods and ultimately arrange collection.

Liabilities

This category of time includes both statutory and non-statutory matters.

Statutory

- Processing of claims from the Company's creditors – All claims received from the Company's 104 creditors have been logged. It should be noted that claims have not yet been formally agreed at this stage.
- Processing of claims from the Company's employees – Time has been spent liaising with the relevant employees to provide support in completing the relevant form in order to submit a claim to the Redundancy Payments Office. Time has also been spent liaising with Insol who are instructed to submit the relevant forms. Further time will be spent calculating and paying the preferential dividend.
- Liaising with HMRC with regards their claim and submitting pre appointment tax returns.

Non-statutory

- Dealing with enquiries from the Company's creditors – a significant amount of time has been spent liaising with the Company's unsecured creditors by email, post and telephone. This involves dealing with general queries and ensuring that the creditors receive the statutory documents; and
- Dealing with enquiries from the Company's employees

Landlords

- Liaising with landlords in respect of premises – time has been spent amending and reviewing the deed of surrenders.

General Administration

This category of work does not result in a direct financial benefit for creditors; however it is necessary for these tasks to be completed in order to ensure the smooth and efficient progression of the administration:

- General planning matters;
- Arranging collection and storage of company records; and
- Dealing with general correspondence and communicating with directors and shareholders.

Pre Appointment Creditors Meeting

Time attributed to this category consists of reviewing the Joint Administrators' Report and Statement of Proposals. I can confirm that this was posted to the incorrect category and should have been attributed to Post Appointment Creditors Meeting.

PARK ROYAL HAULAGE LIMITED – IN ADMINISTRATION

Appointment

There are certain tasks which the Joint Administrators have a statutory obligation to undertake during the administration process. Other tasks are completed in order to ensure the administration is progressed to the benefit of all creditors and stakeholders. Actions completed to date are both statutory and non-statutory and include the following:

- Statutory notifications to creditors and other interested parties following the Joint Administrators' appointment;
- Preparation of case plan; and
- Formulation of case strategy, including recording of any strategic decisions.

Planning & Strategy

- Time appended to this category consists of preparation and submission of statutory returns or reports on all directors to the Insolvency Service. This is required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. Please note that this should be posted to the Investigations code.

Post Appointment Creditors' Decisions

- Preparation of Joint Administrators' Proposals for achieving a statutory purpose of the Administration;
- Preparation of Fees Estimate and Statement of Expenses in accordance with the Rules; and
- Convening a meeting by correspondence to agree Fees Estimate with appropriate body of creditors;
- Reporting on outcome of voting.

Investigations

- Collecting and reviewing the Company's records;
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations. Statutory Investigations will include determining if any of the following have occurred:
 - Transactions at an Undervalue;
 - Preferences;
 - Transactions putting assets beyond the reach of creditors
 - Misfeasance or breach of any fiduciary duty
 - Wrongful trading
 - Undue retention of Crown monies

- Submission of Conduct Report to The Insolvency Service

Legal Services – Preparation

Time has been spent by our legal department drafting and reviewing the deed of surrender. Further time was spent ensuring the Company had no winding up petitions issued against it so we could proceed with the appointment.

Legal services – Attendance

Time attributed to this category consists of attending the premises of the Joint Administrators and assisting with the deed of surrender.

Legal Services – Drafting Docs

Time was spent drafting the deed of surrender.

Legal Services – Letter Out

This includes sending out the relevant letter enclosing the deed of surrender

PARK ROYAL HAULAGE LIMITED – IN ADMINISTRATION

Legal Services – Tel Call

Time was spent liaising with other parties with regards the deed of surrender.

Legal Services – Email Out

Time appended to this category consists of emails sent between the departments at Leonard Curtis to assist with the completion of the deed of surrender.

**SUMMARY OF JOINT ADMINISTRATORS' TOTAL TIME COSTS TO DATE
INCORPORATING A COMPARISON WITH THE JOINT ADMINISTRATORS' APPROVED FEE ESTIMATE**

	FEES ESTIMATE			INCURRED TO DATE			VARIANCE
	Total			Total			
	Units	Cost	Average hourly rate	Units	Cost	Average hourly rate	Cost
	No	£	£	No	£	£	£
Statutory and review	339	11,233.50	331.37	200	7,627.50	381.38	3,606.00
Receipts and payments	104	2,599.50	249.95	242	5,962.50	246.38	(3,363.00)
Insurance, bonding and pensions	45	1,405.50	312.33	63	1,939.50	307.86	(534.00)
Assets	1,467	51,378.00	350.22	899	36,532.00	406.36	14,846.00
Liabilities	727	22,209.00	305.49	633	18,093.50	285.84	4,115.50
Landlords	43	1,320.50	307.09	58	1,798.00	310.00	(477.50)
Trading	28	898.00	320.71	-	-	-	898.00
Debenture Holder	51	1,854.50	363.63	-	-	-	1,854.50
General Administration	181	4,813.50	265.94	117	3,205.00	273.93	1,608.50
Pre Appointment Creditors Meeting	-	-	-	10	450.00	450.00	(450.00)
Appointment	251	7,758.50	296.88	286	8,633.50	301.87	(875.00)
Planning and Strategy	24	796.00	331.67	48	1,248.00	260.00	(452.00)
Post Appointment Creditors Meetings	403	12,000.50	297.78	462	15,209.00	329.20	(3,208.50)
Investigations	368	12,666.00	344.18	413	17,257.50	417.86	(4,591.50)
Legal Serv – Preparation	70	1,616.00	230.86	72	1,906.00	264.72	(290.00)
Legal Serv – Attendance	1	26.00	260.00	1	26.00	260.00	-
Legal Serv – Drafting docs	7	105.00	150.00	7	105.00	150.00	-
Legal Serv – Letter Out	1	26.00	260.00	1	26.00	150.00	-
Legal Serv – Tel Call	-	-	-	1	15.00	150.00	(150.00)
Legal Serv – Email out	1	15.00	150.00	1	15.00	150.00	-
	3,101	132,721.50	322.84	3,514	120,049.00	341.63	341.63

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 17 AUGUST 2017 TO 16 FEBRUARY 2018
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	Business Tax Centre	Electronic client verification	5.00	25.00	25.00	-	25.00
Bond Fee	AUA Insolvency Risk Services	Insurance bond	400.00	400.00	400.00	400.00	-
Company Searches	Companies House	Extraction of company information from Companies House	5.00	-	-	-	-
Document Hosting	Pelstar Computing	Hosting of documents for creditors	70.00	42.00	42.00	42.00	-
Software Licence Fee	Pelstar Computing	Case management system licence fee	87.00	87.00	87.00	87.00	-
Statutory Advertising	Courts Advertising	Advertising	83.02	83.02	83.02	83.02	-
Storage Costs	Auctus Limited	Storage of books and records	100.00	-	-	-	-
Miscellaneous	Court Fee	Court fee for Notice of Intention	-	50.00	50.00	50.00	-
		Total standard expenses	750.02	687.02	687.02	662.02	25.00

PARK ROYAL HAULAGE LIMITED – IN ADMINISTRATION**Case Specific Expenses**

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Legal Fees	Nexus Solicitors	General Legal Advice	10,000.00	2,075.00	2,075.00	2,075.00	-
Agent's Fees	Cerberus Asset Managment	Costs of valuing and realising assets, advice with regards asset disposals	7,500.00	11,537.05	11,537.05	-	11,537.05
Debt Collection Fees	Cerberus Receivables Management	Assistance with debt collection process	23,651.00	22,227.67	22,227.67	22,227.67	-
Professional Fees	N/a	Pension advice	2,500.00	-	-	-	-
Staff Mileage	Leonard Curtis Staff	Category 2 disbursement requiring specific creditor / committee approval	200.00	337.50	337.50	288.00	49.50
Accountancy Fee	David West and Associates	Assistance with Statement of Affairs and Tax work	5,000.00	5,000.00	5,000.00	5,000.00	-
Insurance	N/a	Premium in relation to retained employee	1,000.00	-	-	-	-
Destruction Costs	ECS Limited	Destruction of files	-	549.89	549.89	549.89	-
Professional Fees	Insol Group	Dealing with employee claims	4,000.00	1,345.00	1,345.00	1,345.00	-
Professional Fees	Insol Group	Post appointment payroll, including RT1 assumptions	-	250.00	250.00	250.00	-
		Total case specific expenses	53,851.00	43,322.11	43,322.11	31,735.56	11,586.55

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below.

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis.

6 Jan 2014 onwards	Standard £
Director	450
Senior Manager	410
Manager 1	365
Manager 2	320
Administrator 1	260
Administrator 2	230
Administrator 3	210
Administrator 4	150
Support	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include

Type	Description	Amount
AML checks	Electronic client verification in compliance with the Money Laundering Regulations 2007	£5.00 plus VAT per individual
Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case

PARK ROYAL HAULAGE LIMITED – IN ADMINISTRATION

Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service		
Document hosting	Hosting of documents for creditors/shareholders	Type	First 100	Every addtl 10
		ADM	£14.00	£1.40
		CVL	£7.00	£0.70
		MVL	£7.00	£0.70
		CPL	£7.00	£0.70
		CVA	£10.00	£1.00
		BKY	£10.00	£1.00
	IVA	£10 p.a. or £25 for life of case		
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £185.00 3-6 months £275.00 6-12 months £445.00		
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case		
Statutory advertising	Advertising of appointment, notice of meetings etc - London Gazette - Other	£83.02 plus VAT per advert Dependent upon advert and publication		
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges		

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to 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 (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) 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. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

ESTIMATED OUTCOME STATEMENT

	Preferential	Unsecured
	£'000	£'000
Amount available to class of creditor	173	141
Amount due to creditor per Estimated Financial Position	(32)	(1,642)
Estimated dividend rate (as a %)	100%	8.6%

Proof of Debt – General Form
Relevant date: 17 August 2017

Name of Company in Administration:

Park Royal Haulage Limited

Company registered number:

04808522

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

APPENDIX H (cont)

7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

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8. Details of any document by reference to which the debt relates

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9. Signature of creditor (or person authorised to act on the creditor's behalf)

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10. Date of signing:

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11. Address of person signing (if different from 2 above)

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12. Name in BLOCK LETTERS

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13. Position with, or relation to, creditor

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Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.