

**The Insolvency Act 1986****Liquidator's Progress  
Report****S.192****Pursuant to Sections 92A and 104A  
of the Insolvency Act 1986**

To the Registrar of Companies

For Official Use

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Company Number

5449727

Name of Company

PCS Shuttles Limited

I / We  
David Moore  
No 1 Old Hall Street  
Liverpool  
L3 9HF

Gary N Lee  
No 1 Old Hall Street  
Liverpool  
L3 9HF

the liquidator(s) of the company attach a copy of my/our progress report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 9 March 2011  
to 8 March 2012

Signed



Date 1 May 2012

Begbies Traynor (Central) LLP  
No 1 Old Hall Street  
Liverpool  
L3 9HF

Ref PC005CVL/DM/GNL/ALM/AXM

Insolv

THURSDAY



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COMPANIES HOUSE

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## **PCS Shuttles Limited (In Creditors' Voluntary Liquidation)**

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Progress report pursuant to Section 104A of the  
Insolvency Act 1986 and Rule 4.49C of the  
Insolvency Rules 1986

Period: 9 March 2011 to 8 March 2012

### **Important Notice**

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	PCS Shuttles Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 9 March 2011
"the liquidators", "we", "our" and "us"	David Moore of Begbies Traynor (Central) LLP, No 1 Old Hall Street, Liverpool, L3 9HF and Gary N Lee of Begbies Traynor (Central) LLP, No 1 Old Hall Street, Liverpool, L3 9HF
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

## 2. COMPANY INFORMATION

Trading name(s)	-
Company registered number	5449727
Company registered office	No 1 Old Hall Street, Liverpool, L3 9HF
Former trading address	1 Fair Oak Lane, Runcorn, Cheshire, WA7 3DU

## 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	9 March 2011
Date of liquidators' appointment	9 March 2011
Changes in liquidator (if any)	None

## 4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 9 March 2011 to 8 March 2012

### RECEIPTS

#### ***Furniture & Equipment***

The figure of £1,000 was shown as a director's estimate on the Statement of Affairs. Following our inspection it was possible to obtain £15,000 for these assets.

#### ***Book Debts/ Cash at Bank***

These assets should be read as one. Certain debtors were paid into the bank in the intervening period. The realisations are more than the original estimate and there is confusion as to whether any of these funds are claimed by PCS Events. The matter is ongoing.

#### ***Cash in Hands of Accountant***

These funds represent monies held by Begbies Traynor prior to the liquidation.

#### ***Bank Interest***

During the period a small amount of bank interest has been received.

### PAYMENTS

The expenses are in the main self-explanatory and relate to the costs of dealing with the liquidation.

## 5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs included within the report sent to creditors further to our appointment as liquidators on 9 March 2011

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows

### **Secured creditors**

There are no secured creditors

### **Preferential creditors**

There are no known preferential claims

### **Prescribed Part for unsecured creditors pursuant to Section 176A of the Act**

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

### **Unsecured creditors**

We consider that there will be sufficient funds for a dividend to be paid to unsecured creditors once the issue with PCS Events is resolved See Section 11

## 6. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report

Our time costs for the period from 9 March 2011 to 8 March 2012 amount to £22,812 50 which represents 89 4 hours at an average rate of £255 17 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 9 March 2011 to 8 March 2012
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To 8 March 2012, we have drawn the total sum of £20,000 00 plus disbursements of £122 25 on account.

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been taken in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at Appendix 2

## 7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

## 8. ASSETS THAT REMAIN TO BE REALISED

There are no assets to be realised apart from the reported potential recovery in Section 11

## 9. OTHER RELEVANT INFORMATION

### **Investigations and reporting on directors conduct**

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated prior to the meeting of creditors convened pursuant to Section 98 of the Act, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

### **Investigations carried out to date**

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

### **Connected party transactions**

In accordance with Statement of Insolvency Practice 13, we confirm that the following assets were sold to a director of the Company.

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
26 September 2011	Chattel Assets & Goodwill	£15,000	PCS Events Ltd	Common Director

## 10. CREDITORS' RIGHTS

### **Right to request further information**

Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

### **Right to make an application to court**

Pursuant to Rule 4 131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate

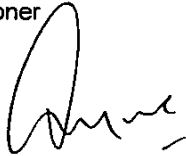
## **11. CONCLUSION**

During my routine investigations certain payments appear to have been paid out of the company's bank account which could be construed as essential payments but which have clearly assisted PCS Events Ltd

I have had many meetings with the directors and their advisors who have now written to me with their proposals. I attach a copy of their letter but you will see that they have offered the sum of £50,000 to resolve this issue payable at the rate of £4,000 per month. It is open to me to continue my investigations but given the offer and the fact that if I commence proceedings this may ultimately result in 'Events' being placed into liquidation I am inclined to accept this offer.

I attach a form of Resolution which I would ask you to consider and complete in due course. I propose to make a decision based on the creditors' views within the next 21 days.

I will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



**D Moore**  
**Joint Liquidator**

Dated 1 May 2012



**PCS Shuttles Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**  
**To 08/03/2012**

S of A £		£	£
	<b>HIRE PURCHASE</b>		
NIL	Vehicles subject to finance agreement	NIL	NIL
	<b>ASSET REALISATIONS</b>		
1,000 00	Goodwill, Furniture & Equipment	15,000 00	
7,000 00	Book Debts	7,000 00	
15,662 00	Cash at Bank	29,713 14	
	Bank Interest Gross	48 71	
333 00	Cash in Hands of Accountants	333 12	52,094 97
	<b>COST OF REALISATIONS</b>		
	Specific Bond	115 00	
	Statement of Affairs Fee	4,950 00	
	Accountant's s/a Fee	450 00	
	Office Holders Fees	20,000 00	
	Agents/Valuers Fees (1)	1,500 00	
	Storage Costs	7 25	
	Re-Direction of Mail	42 67	
	Statutory Advertising	279 00	(27,343 92)
	<b>UNSECURED CREDITORS</b>		
(195,383 83)	Trade Creditors	NIL	
(251,840 00)	Directors	NIL	
(180,663 00)	HMRC - PAYE & NIC	NIL	
(373,649 00)	HMRC - VAT	NIL	
(326,655 00)	Owed to Associated Company	NIL	
(65,900 00)	Loans to Third Parties	NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100 00)	Ordinary Shareholders	NIL	NIL
<b>(1,370,195.83)</b>			<b>24,751.05</b>
	<b>REPRESENTED BY</b>		
	Bank 1 Current		24,441 60
	Vat Control Account		309 45
			<b>24,751.05</b>

Note

Receipts &amp; Payments are Shown Net of VAT

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## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 9 March 2011 to 8 March 2012

## **BEGBIES TRAYNOR CHARGING POLICY**

### **INTRODUCTION**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>2</sup> requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### **OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### **EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting,
- Car mileage is charged at the rate of 40 pence per mile,
- Storage of books and records when not chargeable as a *Category 1 disbursement* is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

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<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

<sup>2</sup> Ibid 1

## BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Liverpool office as at the date of this report are as follows:

	<b>Standard 1 May 2011 – until further notice Regional (£ per hour)</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Prior to 1 May 2011, the following rates applied:

<b>Grade of staff</b>	<b>Charge-out Rate (£ per hour)</b>
Partner 1	395
Partner 2	350
Director	325
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Trainee Administrator	100
Support	100

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in 6 minute units.

## SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME	PCS Shuttles Limited
CASE TYPE	CREDITORS' VOLUNTARY LIQUIDATION
OFFICE HOLDERS	David Moore and Gary N Lee
DATE OF APPOINTMENT	9 March 2011

### 1 CASE OVERVIEW

- 1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case
- 1.2 **The office holders effectiveness**  
The joint liquidators' appointment enabled the Company's affairs to be resolved by way of the liquidation. The appointment brought about the cessation of trading and an orderly wind down of the Company's affairs
- 1.3 **Nature and value of property dealt with by the office holders**  
Please see Section 4 of Report
- 1.4 **Anticipated return to creditors**  
We consider that there will be sufficient funds for a dividend to be paid to unsecured creditors once the issue with PCS Events is resolved as referred to in Section 11 of this report
- 1.5 **Time costs analysis**  
An analysis of time costs incurred between 9 March 2011 and 8 March 2012 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type
- The time costs analysis provides details of work undertaken by the Liquidators and their staff following their appointment only
- 1.6 **Work undertaken prior to appointment**  
In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to the Liquidators' appointment in summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors at the Section 98 meeting
- 1.7 **The views of the creditors**  
We are seeking the approval of the creditors concerning an offer of repayment in respect of monies owing from PCS Events Ltd as detailed in Section 11. A form of resolution is attached to this report.
- 1.8 **Approval of fees**  
That the joint liquidators' remuneration be fixed by reference to the time properly given by them (as liquidators) and the various grades of their staff calculated at the prevailing hourly charge-out rates of Begbies Traynor (Central) LLP for attending to matters arising in the winding up

**1 9 Approval of Expenses and Disbursements**

That the joint liquidators be authorised to draw disbursements, including disbursements for services provided by their firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9), in accordance with their firm's policy, details of which accompanied the information presented to the creditors meeting

**1 10 Category 2 Disbursements**

There are no Category 2 disbursements

**2 SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT**

**2 1 Since the date of our last report, the following work has been carried out**

- Realisation of business assets
- Realisation of book debts and cash at bank
- Obtaining offer in respect of monies owing by PCS Events Ltd following detailed investigation
- Agreeing preferential/unsecured creditor claims
- Notification of appointment to members and creditors
- Dealing with creditors' correspondence and enquires
- Dealing with employee claims
- Preparing Corporation Tax and VAT Returns
- Conducting an investigation into the affairs of the Company
- Submitting an appropriate Return to the Department of Trade and Industry Disqualification Department under the Company Directors Disqualification Act 1986
- Preparation of Progress Report and Notices
- Maintaining case records and ensuring our administration is conducted in accordance with the 'Act' and the 'Rules'

[illegible]

## STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Liquidators' S of A fee	Begbies Traynor	4950 00	4950 00	-
Accountant's S of A fee	Beever & Struthers Accountants	450 00	450 00	-
Statutory advertising	TMP Worldwide Ltd	279 00	279 00	-
Agent's fee	Robson Kay & Co Ltd	1500 00	1500 00	-
Specific Bond	Insolvency Risk Services	115 00	115 00	-
Mail Re Direction	Royal Mail	42 67	42 67	-
Storage costs	Archive Solutions	7 25	7 25	-



WITHOUT PREJUDICE

Dear Mr Moore,

**PCS Shuttles Limited**

I am writing to accompany my letter regarding the schedules regarding the payments made after 20<sup>th</sup> January 2011

At the time of making those payments, I had thought that the right thing to do was to make payment against the liabilities incurred. Having discussed matters with you I now appreciate the issue of preferences. I still maintain that the payments should be valid or approved by any court as they were all genuinely incurred by PCS Shuttles Ltd and paid on behalf of that company.

I am also far from clear who it is that has been preferred in these circumstances. I am still trying to run a business that at least survives but the climate hasn't improved and there has been a lot of custom lost as a result of the liquidation and the decline in the economy

The whole episode of the liquidation and demise of the business is one that I want to get behind me and draw a line under. As a means of trying to move on, the only proposal that I can make is to make a payment of £50,000 over a period of 18 months. I will try to pay at the rate of £4,000 per month but can't guarantee the ability to make that payment amount each and every month – I need some flexibility, but I will make payment of the full amount within the 18 month period. Equally, if I can make a greater payment than £4,000 a month, then I will. I need and want to reach some closure

There is no point in making any payment unless it represents an end to any and all issues. As such, any payment I make would have to be in full settlement of any and all claims against me or any related business

I think this is more than fair. Please confirm that matters can be resolved on this basis.

Yours sincerely,

  
**John Murphy**

**PCS SHUTTLES LIMITED (IN LIQUIDATION)**

**FORM OF RESOLUTION**

<b>RESOLUTION</b>	<b>FOR</b>	<b>AGAINST</b>
1. "THAT the Joint Liquidators accept the offer which has been made by PCS Events Ltd to settle this matter at £50,000 payable over the next 18 months "	<input type="checkbox"/>	<input type="checkbox"/>

Signed \_\_\_\_\_

Creditor \_\_\_\_\_

Date \_\_\_\_\_