

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Patient First Group Limited	Company number 06058482
In the Birmingham District Registry (full name of court)	Court case number 8027 of 2010

(a) Insert full
name(s) and
address(es) of
administrator(s)

I/We (a)
Beverley Jayne Marsh
Vantis Business Recovery Services
104/106 Colmore Row
Birmingham
B3 3AG

Gerald Clifford Smith
Vantis Business Recovery Services
104/106 Colmore Row
Birmingham
B3 3AG

*Delete as
applicable

attach a copy of ~~my~~our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 26 March 2010

Signed

Bj Marsh
Joint / Administrator(s)

Dated

31/3/10

Contact Details

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

Beverley Jayne Marsh
Vantis Business Recovery Services
104/106 Colmore Row
Birmingham
B3 3AG

DX Number

DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

THU SATURDAY



A550WJML

A18 01/05/2010 430
COMPANIES HOUSE

ANW1WIS0

A13 01/04/2010 274
COMPANIES HOUSE



**Vantis Business
Recovery Services**
104/106 Colmore Row
Birmingham B3 3AG
Tel +44(0)121 710 1680
Fax +44(0)121 710 1699
www.vantisplc.com

**TO ALL MEMBERS AND ALL KNOWN
CREDITORS**

your ref

our ref BJM/GS/LB

date 26 March 2010

please ask for Lee Brocklehurst

Dear Sirs

**PATIENT FIRST GROUP LIMITED ("GROUP")
PFG (H) LIMITED – FORMERLY PATIENT FIRST (SHROPSHIRE) LIMITED ("SHROPSHIRE")
PATIENT TRANSPORTATION LIMITED – FORMERLY PATIENT FIRST (HEREFORDSHIRE)
LIMITED ("HEREFORDSHIRE")
(ALL IN ADMINISTRATION)**

TOGETHER TRADING AS: PATIENT FIRST ("THE COMPANIES")

1. Introduction

I write further to my appointment as Joint Administrator of the Companies, with Gerald Clifford Smith, to inform creditors of the Joint Administrators' proposals under Paragraph 49 of Schedule B1 to the Insolvency Act 1986. Statutory information about the Companies and the Administrators together with details from the Companies' accounts are attached as Appendix A.

2. The Administration

Beverley Jayne Marsh and Gerald Clifford Smith, licensed insolvency practitioners, were appointed Joint Administrators of the Companies by the directors on 1 February 2010.

Both Administrators are licensed Insolvency Practitioners and licensed by the Institute of Chartered Accountants in England and Wales.

The Administrations are registered in the High Court of Justice, Birmingham District Registry, under reference numbers 8027 (Group), 8029 (Shropshire) and 8028 (Herefordshire) of 2010.

The Companies' main centres of operations are based in the United Kingdom. The EC Regulations on Insolvency Proceedings 2000 apply to the Administrations. The proceedings are main proceedings as defined by Article 3 of the Regulation.

The Joint Administrators act jointly and severally, so that all functions may be exercised by either Administrator.

The Joint Administrators must perform their functions with the purpose of achieving one of the following objectives:

- rescuing the Companies as a going concern;
- achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up (without first being in Administration); or
- realising property in order to make a distribution to one or more secured or preferential creditors.

Further information on the pursuance of the above objectives is detailed in section 4 below.

3. Circumstances giving rise to the appointment of the Administrator.

The Companies provided transport services to the NHS, county councils and private hospitals moving a variety of ill, elderly, infirm, disabled patients and school children. The services provided ranged from relatively mundane and low risk transport services to some journeys requiring highly trained and competent medical staff.

The Companies' financial difficulties arose as they fell into arrears with HM Revenue & Customs as a result of a long running problem as to the correct treatment of VAT for the services it provided.

Following an exhaustive and ultimately unsuccessful marketing process to attract funding to the group last year the Directors of the Companies met with Vantis on 7 January 2010 to discuss the available options in respect of the Companies' financial position. Following a threat of a potential winding up petition we were subsequently engaged to assess the Companies' proposals and to present our findings to their Bankers regarding the estimated outcome in an Administration.

MGR Appraisals ("MGR") were instructed to conduct a valuation of the business, office furniture and equipment at the Companies in order to assist with any offers received for the businesses.

On 21 January 2010 a formal offer was received for the business and assets of the Companies from NSL Limited ("NSL") and when it had become apparent the Companies may go into administration we took control of the sales negotiation process with the blessing of the Directors through to completion shortly after our appointment as administrators on 1 February 2010.

4. The conduct of the Administration

From the outset it was clear that the possibility of achieving the first objective of rescuing the Companies as a going concern was very remote, due to the following:

- Concerns over the ongoing viability of the Companies;
- The size of the funding required; and
- The level of creditor arrears.

Therefore the strategy undertaken was to meet the second objective, that of achieving a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up.

Our strategy was focused on preserving the value of business and in particular the goodwill, customer order book and book debts. From our initial review of the Companies' trading position, it became apparent that we would be unable to trade the businesses in insolvency due to no funding being available and the insurable risks associated with the trade. We considered a speedy sale of the businesses and assets as a going concern was essential to minimise any erosion in value and maximise realisations.

Following negotiations and approval from the secured charge holders and HMRC, a sale of the business and assets (excluding the book debts) of the Companies to an independent third party, NSL, was completed for a total consideration of £445,024. The sales consideration was as follows:

	Total Consideration (£)
Plant and Machinery	10,000
Business	1
Goodwill	291,499
Vehicles (Inc. Equity in vehicles subject to HP)	140,000
Customer Contracts	1
Prepayments	1,522
Intellectual Property	1
Stock and Work in Progress	2,000
Total	445,024

5. Administrators' Receipts and Payments

A consolidated summary of receipts and payments for the Administration period from the date of our appointment to 23 March 2010, is attached as Appendix B. We are undertaking a reconciliation of the apportionment of realisations based on the directors' Statements of Affairs and will provide receipts and payments accounts analysed by company in our next report to creditors

The sales consideration, as detailed above, has been received in full. Included in the sale agreement was a licence for NSL to occupy the premises leased by the Companies, a licence fee has been received and is being utilised to settle rent payments as and when they fall due.

Book debts are being collected with the assistance of NSL and a collection fee of 10% of the net value of the debts collected has been agreed. Since our appointment approximately £55K has been collected in respect of Shropshire book debts against a total £256K and £23k in respect of Herefordshire book debts against a total £24K.

It was a condition of the sales contract that the Administrators undertake to pay the employees payroll for January 2010 on the 10 February 2010 from the goodwill received, which has been done.

Agents fees and legal costs have been paid in accordance with Vantis policy as detailed in Appendix F.

Rent for the continued occupation of the Companies premises is being paid as it arises.

6. The directors' statement of affairs

Shortly after the appointment, the director of the Company was asked to submit a statement of affairs under paragraph 47 of Schedule B1 of the Insolvency Act 1986.

Draft Statement of Affairs have been recently received from the directors but they are subject to finalisation and for information, I attach a copy of these draft Statements of Affairs at Appendix C.

7. Outcome for secured creditors

At the date of appointment the Companies had granted the following securities:

Charge Holder	Security Held	Date Created
Group		
Bank of Scotland Plc ("the Bank")	Debenture	07/05/2009
Shropshire		
Bank of Scotland Plc	Debenture	30/04/2007
Bank of Scotland Plc	Debenture	07/05/2009
Herefordshire		
None		

At the date of our appointment the Company's indebtedness to the Bank was £124K, which was secured by a fixed and floating debenture. The Bank also had cross guarantees from all companies. An amount of £291,499 was realised for Goodwill and on completion of the sale a distribution of £124,000 was made to the Bank on receipt of the sales consideration under its fixed charge security.

8. Outcome for preferential creditors

There are no preferential creditors in these administrations as all employees transferred to NSL

9. Outcome for unsecured creditors

Where debentures post-date the introduction of the Enterprise Act 2002 on 15 September 2003 there is a requirement for the Joint Administrators to set aside a Prescribed Part or unsecured creditors fund from floating charge realisations.

It is anticipated that there will be a dividend to unsecured creditors of the Companies. However, the amount will be determined by the asset apportionment process which has yet to be finalised

10. Creditors' meeting

Creditors' meetings have been called under Paragraph 51 of Schedule B1 of the Insolvency Act 1986 for Friday, 9 April 2010 at 10.00am at the offices of Vantis, 104-106 Colmore Row, Birmingham, B3 3AG to enable creditors to consider the Administrators' proposals, make modifications and vote as appropriate. A proxy form is enclosed for your use if you intend to be present or represented at the meeting. Please attach details of your claim to the returned proxy form, and give information about any security that you hold. Completed proxy forms should be returned to these offices by 12 noon on 8 April 2010.

A formal notice of the meeting, together with a form of proposed fees is enclosed for your consideration.

11. Administrators' proposals

The Administrators' proposals in accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 to achieve the purpose of the Administration are attached at Appendix D.

12. Administrators' Remuneration

The Joint Administrators are entitled under Rule 2.106 of the Insolvency Rules 1986 (as amended) to receive remuneration for their services either:

- as a percentage of the value of property with which they have to deal; or
- by reference to the time properly given by the Insolvency Practitioners (as Administrators) and their staff in attending to matters arising in the Administration

It is proposed that the remuneration of the Joint Administrators will be fixed by reference to time properly spent. In accordance with the Statement of Insolvency Practice No 9 "SIP 9" issued by the Association of Business Recovery Professionals. A copy of the 'Creditors' Guide to Administrators' Fees' can easily be accessed on the Vantis website on www.vantisplc.com Click on 'Creditors' Guides to Fees' under Services, Business Recovery at the top right of the home page and follow the instructions. If you have problems accessing the creditors' guide to fees on the Vantis website or if you would like to have a hard copy of the creditors' guide to fees sent to you, please do not hesitate to contact the person named at the top of this letter attached to these proposals

The Joint Administrators' time costs as at 19 March 2010 in relation of Group amount to £13,030, which represents 57.95 hours at an average hourly rate of £224.85. In relation of Shropshire our time costs amount to £32,557, representing 118.1 hours at an average hourly rate of £275.67 In relation of Herefordshire our time costs amount to £7,099, representing 30.1 hours at an average hourly rate of £235.85 We have attached as Appendix E a time analysis which provides details of the activity costs incurred by staff grade to the above date.

We propose drawing fees in accordance with the proposals outlined in Appendix D if and when funds become available

Attached as Appendix F is additional information in relation to our policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

Our time costs incurred to date relate to the following activities:

- To devise and pursue a strategy for maximising book debt realisations;
- Dealing with leased premises;
- Processing the payroll for 10 February;
- Realising assets excluded from the sales agreement;
- Apportionment of assets and liabilities;
- Instructing and liaising with agents and lawyers;
- Monitoring book debt collections;
- Responding to creditor enquiries;
- Reporting and liaising with the secured creditor;
- Undertaking the various statutory requirements for the Administration process;
- Negotiating and concluding the sale of the business and assets; and
- Ensuring future requirements of the sales agreement are complied with.

13. Directors' Conduct

Finally, as part of the Joint Administrators' statutory duties, we have to report on the conduct of the director under the Company Directors Disqualification Act 1986. Should you have any information concerning matters to which reference should be made in that report, then we should be grateful if you would write to us formally setting out any facts which you believe should be considered for inclusion.

14. Next Report

The Joint Administrators are required to provide a progress report within one month of the end of the first six months of the Administration by which time we hope the book debt collections will be clearer

Yours faithfully
For and on behalf of
Patient First Group Limited
PFG (H) Limited – Formerly Patient First (Shropshire) Limited
Patient Transportation Limited – Formerly Patient First (Herefordshire) Limited


Beverley Jayne Marsh
Joint Administrator

Licensed by the Institute of Chartered Accountants in England & Wales

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

Statutory Information – Patient First Group Limited

Appendix A (i)

Court name	High Court of Justice, Birmingham District Registry
Court case number	8027 of 2010
Other trading names	None
Date of Incorporation	19 January 2007
Company number	06058482
Registered office	104/106 Colmore Row, Birmingham, B3 3AG
Previous registered office and Trading Address	Unit 7 Park Plaza, Battfield Enterprise Park, Shrewsbury, SY1 3AF

Details of the Director and Secretary in office during the previous three years together with details of their shareholdings are as follows:

	Date appointed	Date resigned	Shares held
Director			
James William Nicholls	12/04/2007	-	49
Vivienne Oliver	14/01/2008	-	750
John Wayne Spedding	12/04/2007	14/01/2008	
Secretary			
James William Nicholls	24/04/2007	-	As above

A summary of the Company's trading performance is detailed below:-

Description (£)	Year ended 31 January 2008 (Unaudited Accounts)
Turnover	362,250
Operating Profit	65,210
Interest Receivable	226
Interest Payable	(248)
Profit before Tax	65,188

Statutory Information – PFG (H) Limited Formerly Patient First (Shropshire) Limited

Appendix A(ii)

Court name	High Court of Justice, Birmingham District Registry
Court case number	8029 of 2010
Other trading names	None
Date of Incorporation	19 January 2007
Company number	06058418
Registered office	104/106 Colmore Row, Birmingham, B3 3AG
Previous registered office and Trading Address	Unit 7 Park Plaza, Battlefield Enterprise Park, Shrewsbury, SY1 3AF

Details of the Director and Secretary in office during the previous three years together with details of their shareholdings are as follows:

	Date appointed	Date resigned	Shares held
Director			
James William Nicholls	12/04/2007	-	0
Vivienne Oliver	14/01/2008	-	0
John Wayne Spedding	12/04/2007	14/01/2008	0
Secretary			
James William Nicholls	24/04/2007	-	0

A summary of the Company's trading performance is detailed below:-

Description (£'000)	Year ended 30 April 2008 (Unaudited Accounts)
Turnover	3,312
Gross Profit	617
Overheads	(897)
Operating Loss	(279)
Interest Payable	(8)
Loss before Tax	(288)
Tax	-
Net Profit	(288)

**Statutory Information – Patient Transportation Limited Formerly Patient
First (Herefordshire) Limited**

Appendix A (iii)

Court name	High Court of Justice, Birmingham District Registry
Court case number	8028 of 2010
Other trading names	None
Date of Incorporation	13 February 2009
Company number	06818690
Registered office	104/106 Colmore Row, Birmingham, B3 3AG
Previous registered office and Trading Address	Unit 7 Park Plaza, Battiefeld Enterprise Park, Shrewsbury, SY1 3AF

Details of the Director and Secretary in office during the previous three years together with details of their shareholdings are as follows:

	Date appointed	Date resigned	Shares held
Director			
James William Nicholls	03/03/2009	-	-
Vivienne Oliver	03/03/2009	-	-
Secretary			
James William Nicholls	03/03/2009	-	-

No trading information is available for the Company.

**Consolidated Receipts & Payments Accounts
for the Period up to 23 March 2010**

Appendix B

		£
Receipts		
Goodwill		291,499
Plant and Machinery		10,000
Motor Vehicles		140,000
Stock/WIP		2,000
Intellectual Property		1
Business		1
Customer Contracts		1
Book Debts - Shropshire		55,215
Book Debts - Herefordshire		23,484
Prepayments		1,522
Licence fee		14,061
		537,784
Payments		
Charge holder		124,000
Wages and Salaries		164,396
Debt collection fees		7,365
Bank Charges		21
Agents fees		10,000
Rent		1,292
Statutory advertising		151
Legal Fees		8,248
		315,473
Balance In Hand		222,311

Patient First Group Limited (In Administration)

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Estimated Statement of Affairs at 1st February 2010

	Book Value		Estimated to Realise	
	£	£	£	£
ASSETS SUBJECT TO A FIXED CHARGE				
	<u>0</u>			
		0		0
ASSETS SUBJECT TO A FLOATING CHARGE				
Goodwill	-		68,901	
Office Furniture and Equipment	100,040		6,741	
Investments in Group Companies	1,001		0	
Motor Vehicles	-		-	
Book Debts (recoverable at 60%)	-		-	
Intercompany debtors	912,640		-	
Directors Loan Account	42,424		-	
Prepayments	154,479		360	
Bank and Cash in Hand	0		-	
		1,210,584		78,002
ESTIMATED ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS		<u>1,210,584</u>		<u>78,002</u>
LIABILITIES				
Preferential Creditors				
Employees' Claims			-	
Arrears of Wages			-	
Holiday Pay			-	
				<u>(0)</u>
ESTIMATED SURPLUS / (DEFICIENCY) AS REGARDS PREFERENTIAL CREDITORS				78,002
Estimated Prescribed Part of Net Property				<u>(18,200)</u>
ESTIMATED TOTAL ASSETS AVAILABLE FOR FLOATING CHARGEHOLDERS				57,802
Floating Chargeholders				
HBOS Bank plc				<u>(0)</u>
ESTIMATED SURPLUS / (DEFICIENCY) AFTER FLOATING CHARGEHOLDER				57,802
Estimated Prescribed Part of Net Property (b/d)				<u>18,200</u>
ESTIMATED SURPLUS / (DEFICIENCY) AS REGARDS NON-PREFERENTIAL UNSECURED CREDITORS				78,002
Non-preferential Creditors				
Directors' Loans		3,644		
Pension Fund Contributions		1,202		
HM Revenue & Customs - PAYE/NI		250,443		
HM Revenue & Customs - VAT		144,891		
Trade & Expense Creditors		78,810		
HSBC Bank plc		2,000		
Intercompany creditors				
Patient First (Shropshire)		761,779		
Patient First (Hereford)		338,931		
Employees' Claims		-		
Redundancy Pay		-		
Wages in Lieu of Notice		-		
				<u>(1,579,700)</u>
ESTIMATED SURPLUS / (DEFICIENCY) AS REGARDS NON-PREFERENTIAL UNSECURED CREDITORS				<u>(1,503,698)</u>
Issued and Called Up Capital				
Ordinary Shares				<u>1,000</u>
ESTIMATED TOTAL SURPLUS / (DEFICIENCY) AS REGARDS MEMBERS				<u>(1,502,698)</u>

Notes

Appointment basis - wages & salaries costs to 1 Feb 2010 (incl. volunteer costs)

Patient First Group	585,597
Total (Group / Shropshire / Hereford)	2,477,508
Group proportion	23.6%

Vantis Business Recovery Services
Patient First Group Limited
Company Creditors

Key	Name	Address	£
CA00	ACS Registrars Ltd	International House, 178 Reddicap, Heath Road, Sutton Coldfield, B75 7ET	1,037.76
CB00	Ben Barnes Electrical Srevicees	The Rectory, Mallwyd, Machynlleth, Powys, SY20 9HJ	630.00
CB01	British Telecom	Payment Centre, Durham, DH98 1BT	16.59
CB02	Bernard Brogan Ltd TA Dieselink Services	Nethan Street, Motherwell, ML1 3TF	0.00
CD00	De Lage Landen Leasing Ltd	P O Box 430, Watford, Herts, WD18 8EZ	546.33
CE00	E.ON	PO Box 123, Nottingham, NG1 6HD	1,551.18
CF00	Fiveways Shropshire Ltd	51 High Street, Newport, Shropshire, TF10 7AT	1,819.33
CH00	H M Customs & Excise	Central Insolvency Sift Team, 3NW Queens Dock, Liverpool, L74 4AA	0.00
CH01	HSBC	Level 16, 8 Canada Square, Canary Wharf, London, E14 5HQ	0.00
CH02	HM Revenue & Customs	Debt Management, Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	0.00
CI00	Insight Direct (UK) Ltd	The Atrium, 1 Harefield Road, Uxbridge, UB8 1PH	37.72
CI01	InTechnology PLC	Central House, Beckworth Knowle, Harrogate, HG3 1UG	117.50
CJ00	James, Holyoak & Parker Chartered Accountants	1 Knights Court, Archers Way, Battlefield Enterprise Park, Shrewsbury, SY1 3GA	37,505.04
CM00	Michael J Field	8 St Stephen Street, Manchester, M3 6AY	1,276.01
CN00	NBCN		183.78
CN01	NPower Ltd	Bridge House, 200 Clough Road, Hull, HU5 1SN	0.00
CN02	Nicholls & Co	Unit 9 Park Plaza, Battlefield Enterprise Park, Shrewsbury, Shropshire, SY1 3AF	4,000.00
CO00	OGL Computer Support Limited	Worcester Road, Stourport-o-Severn, Worcestershire, DY13 9AT	2,026.59
CS00	Sage UK Ltd	North Park, Newcastle Upon Tyne, NE13 9AA	432.03
CS01	Special Corporate Services Limited		31,654.00
CV00	Veolia ES (UK) Ltd	Lndon Road, Brownhills, Walsall, West Midlands, WS8 7BB	73.03
CY00	YAC	Corporate House, Ballybrit Business Park, Ballybrit, Galway, Ireland	181.14
22 Entries Totalling			83,088.03

Patient First (Shropshire) Limited (In Administration)

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Estimated Statement of Affairs at 1st February 2010

	Book Value		Estimated to Realise	
	£	£	£	£
ASSETS SUBJECT TO A FIXED CHARGE				
Motor Vehicles	205,894	45.6%	137,800	
Less: Amounts owed to Finance Companies	<u>(104,791)</u>		<u>(120,688)</u>	-
Surplus as regards Finance Companies		100,903	-	17,112
 ASSETS SUBJECT TO A FLOATING CHARGE				
Goodwill	86,580		185,290	
Office Furniture and Equipment	47,380		3,193	
Stock	12,000		2,000	
Garage equipment	13,674		-	
Motor Vehicles	245,794	54.4%	122,888	
Book Debts (recoverable at 60%)	258,507		153,904	
Intercompany debtors	723,233		-	
Prepayments	77,730		987	
Bank and Cash in Hand	0		-	
		1,462,897		468,242
 ESTIMATED ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS		<u>1,563,800</u>		<u>485,355</u>
LIABILITIES				
Preferential Creditors				
Employees' Claims			-	
Arrears of Wages			-	
Holiday Pay			-	(0)
 ESTIMATED SURPLUS / (DEFICIENCY) AS REGARDS PREFERENTIAL CREDITORS				485,355
Estimated Prescribed Part of Net Property				<u>(100,071)</u>
 ESTIMATED TOTAL ASSETS AVAILABLE FOR FLOATING CHARGEHOLDERS				385,284
Floating Chargeholders				
HBOS Bank Plc				<u>(121,559)</u>
 ESTIMATED SURPLUS / (DEFICIENCY) AFTER FLOATING CHARGEHOLDER				263,725
Estimated Prescribed Part of Net Property (b/d)				<u>100,071</u>
 ESTIMATED SURPLUS / (DEFICIENCY) AS REGARDS NON-PREFERENTIAL UNSECURED CREDITORS				363,796
Non-preferential Creditors				
Directors' Loans			-	
Pension Fund Contributions			2,399	
HM Revenue & Customs - PAYE/NI			510,673	
HM Revenue & Customs - VAT			489,854	
Trade & Expense Creditors			50,506	
HSBC Bank plc			-	
Intercompany creditors			-	
Patient First (Hereford)			-	
Patient First (Group)			-	
Employees' Claims			-	
Redundancy Pay			-	
Wages in Lieu of Notice			-	
				<u>(1,033,432)</u>
 ESTIMATED SURPLUS / (DEFICIENCY) AS REGARDS NON-PREFERENTIAL UNSECURED CREDITORS				(669,636)
 Issued and Called Up Capital				
Ordinary Shares				<u>1,000</u>
 ESTIMATED TOTAL SURPLUS / (DEFICIENCY) AS REGARDS MEMBERS				<u>(668,636)</u>

Notes

Appointment basis - wages & salaries costs to 1 Feb 2010 (incl. volunteer costs)

Patient First Shropshire	1,574,802
Total (Group / Shropshire / Hereford)	2,477,508
Shropshire proportion	63.6%

Vantis Business Recovery Services
Patient First (Shropshire) Limited
Company Creditors

Key	Name	Address	£
CA00	Alexandra	Alexandra House, Midland Way, Thornbury, Bristol, BS35 2NT	16.62
CA01	Automotive Components Ltd	Lion works, Salters Lane, Newport, Shropshire, TF10 7LB	20,843.06
CB00	Birmingham Motor Tyres Ltd	103-115 Walsall Road, Perry Bar, Birmingham, B42 1TU	49.34
CB01	BOC	Customer Service Centre, PO Box 12 Priestly Road, Worsley, Manchester, M28 2UT	1,521.11
CD00	D M Bates Ltd	75 Chapel Street, Norton Canes, Cannock, Staffordshire, WS11 9NX	255.56
CD01	Dieselink	104 Orbiston Street, Motherwell, ML1 1PX	1,245.56
CF00	Fiveways Insurance Group	51 High Street, Newport, Shropshire, TF10 7AT	338.37
CF01	Fuelcard Company	Whitchurch Business Park, Shakespeare Way, Whitchurch, Shropshire, SY13 1LJ	8,440.17
CG00	G Blackhurst & Sons Ltd	Mill Lane, Passfield, Liphook, Hampshire, GU30 7RP	40.00
CG01	Glide-Rite Products Ltd	Atlantic Street, Broadheath, Altrincham, Cheshire, WA14 5DN	0.02
CG02	Gunn JCB Ltd	Central Insolvency Sift Team, 3NW Queens Dock, Liverpool, L74 4AA	466.68
CH00	H M Customs & Excise	Field House, Field House Drive, Meole Brace, Shrewsbury, SY3 9HL	0.00
CH01	Dr T Hill	Debt Management, Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	35.00
CH02	HM Revenue & Customs	Road, Worthing, West Sussex, BN12 4SE	0.00
CI00	Intercity Fuels	Osbourne House, Sandbeck Way, Wetherby, West Yorkshire	2,014.26
CL00	LS UK (in Liquidation)	c/o Grant Thornton UK LLP, Enterprize House, 115 Edmund Street, Birmingham, B3 2HJ	276.13
CM00	Markcoo	No 3 Fenulea Court, Bicton Heath, Shrewsbury, SY3 5DC	419.20
CM01	Mobi-tyre	Unit 17 Leaton Industrial Estate, Bomere Heath, Shrewsbury, Shropshire, SY4 3AP	183.80
CN00	Network Leaseplan UK Ltd	165 Bath Road, Slough, Berks, SL1 4AA	20,155.19
CP00	Paperway	Vanguard Way, Battfield, Shrewsbury, Shropshire, SY1 3TG	5.18
CP01	Patient First Group Ltd	Stafford Park 1, Telford, Shropshire, TF3 3BD	912,640.00
CP02	Protyre Telford		180.00
CS00	SEVE01		125.11
CS01	Symech	73 Dixons Green, Dudley, West Midlands, DY2 7DJ	1,319.05
CW00	Wides Plant Hire Ltd	Station Yard, Station Road, Dorrington, Shrewsbury, SY5 7LH	402.50
25 Entries Totalling			970,971.91

Patient First (Hereford) Limited (In Administration)

DRAFT

Estimated Statement of Affairs at 1st February 2010

	Book Value		Estimated to Realise	
	£	£	£	£
ASSETS SUBJECT TO A FIXED CHARGE				
	<u>0</u>			
		0		0
ASSETS SUBJECT TO A FLOATING CHARGE				
Goodwill	-		37,311	
Office Furniture and Equipment	975		66	
Stock	-		-	
Motor Vehicles	-		-	
Book Debts (recoverable at 60%)	24,141		14,485	
Intercompany debtors	347,766		-	
Prepayments	2,500		195	
Bank and Cash in Hand	0		-	
		375,382		52,056
ESTIMATED ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS		<u>375,382</u>		<u>52,056</u>
LIABILITIES				
Preferential Creditors				
Employees' Claims				
Arrears of Wages			-	
Holiday Pay			-	
				<u>(0)</u>
ESTIMATED SURPLUS / (DEFICIENCY) AS REGARDS PREFERENTIAL CREDITORS				52,056
Estimated Prescribed Part of Net Property				<u>(13,411)</u>
ESTIMATED TOTAL ASSETS AVAILABLE FOR FLOATING CHARGEHOLDERS				38,645
Floating Chargeholders				
HBOS Bank plc				<u>(0)</u>
ESTIMATED SURPLUS / (DEFICIENCY) AFTER FLOATING CHARGEHOLDER				38,645
Estimated Prescribed Part of Net Property (b/d)				<u>13,411</u>
ESTIMATED SURPLUS / (DEFICIENCY) AS REGARDS NON-PREFERENTIAL UNSECURED CREDITORS				52,056
Non-preferential Creditors				
Directors' Loans			-	
Pension Fund Contributions			872	
HM Revenue & Customs - PAYE/NI			55,287	
HM Revenue & Customs - VAT			39,938	
Trade & Expense Creditors			4,882	
HSBC Bank plc			0	
Intercompany creditors				
Patient First (Shropshire)			-	
Patient First (Group)			-	
Employees' Claims				
Redundancy Pay			-	
Wages in Lieu of Notice			-	
				<u>(100,779)</u>
ESTIMATED SURPLUS / (DEFICIENCY) AS REGARDS NON-PREFERENTIAL UNSECURED CREDITORS				<u>(48,723)</u>
Issued and Called Up Capital				
Ordinary Shares				<u>1,000</u>
ESTIMATED TOTAL SURPLUS / (DEFICIENCY) AS REGARDS MEMBERS				<u>(47,723)</u>

Notes

Appointment basis - wages & salaries costs to 1 Feb 2010 (incl volunteer costs)

Patient First Hereford	317,109
Total (Group / Shropshire / Hereford)	2,477,508
Hereford proportion	12.8%

Vantis Business Recovery Services
Patient First (Herefordshire) Limited
Company Creditors

Key	Name	Address	£
CB00	BOC	Customer Service Centre, PO Box 12, Priestly Road, Worsley, Manchester, M28 2UT	128.96
CE00	Express Factors	Byrcott Business Park, Burcott Road, Hereford, HR4 9JQ	113.73
CH01	HM Revenue & Customs	Debt Management, Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4SE	0.00
CP00	P.W. Jones	Hilbury Garage, Burley Gate, Hereford, Herefordshire, HR1 3QL	176.64
CU00	University Hospital Coventry & Warwickshire	FM Building, University Hospital, Clifford Bridge Road, Coventry, CV2 2DX	7,296.98
CY00	YAC	Corporate House, Ballybrit Business Park, Ballybrit Gallway, Ireland	48.54
6 Entries Totalling			7,764.85

THE INSOLVENCY ACT 1986
STATEMENT OF THE PROPOSALS OF THE JOINT ADMINISTRATORS
OF PATIENT FIRST GROUP LIMITED, PFG (H) LIMITED FORMERLY PATIENT FIRST
(SHROPSHIRE LIMITED) AND PATIENT TRANSPORTATION LIMITED FORMERLY PATIENT FIRST
(HEREFORDSHIRE) LIMITED (ALL IN ADMINISTRATION)
PURSUANT TO PARAGRAPH 49(1) OF SCHEDULE B1 TO THE INSOLVENCY ACT 1986

1. These are the proposals of Beverley Jayne Marsh and Gerald Clifford Smith, the Joint Administrators of Patient First Group Limited, Patient First (Shropshire) Limited, Patient First (Herefordshire) Limited pursuant to Paragraph 49(1) of Schedule B1 to the Insolvency Act 1986.
2. The Joint Administrators think that objective (a) of the Administration, as detailed in Paragraph 3(1) of Schedule B1 of the Insolvency Act 1986, will not be achieved due to concerns over the ongoing viability of the Companies and the likely level of funding required to meet existing and future working capital commitments. As such, it is envisaged that the second objective (b) will be achieved, a better result for the Companies' creditors as a whole than would be likely if the Companies had been wound-up (without first being in Administration). This will be done through the sale of the business and assets of the Companies to NSL.
3. The Joint Administrators propose that:
 - a) They continue to manage the affairs of the Companies.
 - b) They will continue to realise the assets of the Companies and in particular progress the collection of outstanding book debts with the assistance of NSL.
 - c) The Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they consider desirable or expedient to achieve the statutory purpose of the Administrations.
 - d) That the creditors consider establishing Creditors' Committees and that if any such Committee is formed they be authorised to sanction any proposed act on behalf of the Joint Administrators without the need to report back to a further meeting of creditors generally.
 - e) In the absence of a Creditors' Committee, the remuneration of the Joint Administrators shall be fixed, pursuant to Rule 2.106 of the Insolvency Rules 1986 (as amended) by reference to

the time properly given by the Insolvency Practitioners (as Administrators) and their staff in attending to matters arising in the Administrations.

- f) Disbursements known as category 2 disbursements, to be drawn when the Joint Administrators see fit.
- g) In accordance with Statement of Insolvency Practice No 9 ("SIP9"), the Joint Administrators be authorised to draw remuneration as and when funds are available on account of their time costs. A creditors' guide to fees can easily be accessed on the Vantis website on www.vantisplc.com.
- h) It is envisaged that all necessary matters in respect of the Administrations will have been concluded by the anniversaries of the Administrations. However, in the event that further time is needed to complete any matters, it is proposed that the Administrations be extended by the consent of creditors and/or application to the Court in accordance with Paragraph 78 of Schedule B1 to the Insolvency Act 1986, whichever is appropriate, following which we will proceed to the steps outlined in paragraphs 3 (i) and (j) below
- i) Once all assets have been realised, and if there are no funds available to enable a distribution to the unsecured creditors, we propose filing a notice pursuant to Paragraph 84 of Schedule B1 to the Insolvency Act 1986 together with our final progress report at Court and with the Registrar of Companies for the dissolution of the Companies. We shall send copies of these documents to the Companies and their creditors. The appointment will end following the registration of the notice by the Registrar of Companies.
- j) In the event that a distribution is available for unsecured creditors, or that the Paragraph 84 procedure in paragraph (i) is no longer appropriate, then the relevant Company should be placed into either Creditors' Voluntary or Compulsory Liquidation, whichever process is most appropriate and the Joint Administrators propose that they be appointed as Joint Liquidators of the Company. If a Creditors Voluntary Liquidation is proposed, the creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved.
- k) The Joint Administrators' will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

Dated this 26th day of March 2010

A handwritten signature in black ink, appearing to read 'B Marsh', with a stylized flourish at the end.

Beverley Jayne Marsh

Joint Administrator

Insolvency Practitioner Licensed by the Institute of Chartered Accountants in England and Wales

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

Time Analysis for the Period from 1 February 2010 to 19 March 2009

Appendix E

Patient First Group Limited In Administration

Summary of time costs from 1/2/2010 to 19/3/2010

<u>Classification of Work</u>	<u>Partners Hours</u>	<u>Managers Hours</u>	<u>Administrators & Support Staff Hours</u>	<u>Total Hours</u>	<u>Time Cost</u> £	<u>Average Rate p/h</u>
Administration and Planning	8.00	11.30	0.10	19.40	5,423.50	279.56
Meetings	2.00	-	-	2.00	800.00	400.00
Asset Realisations	-	0.70	-	0.70	165.50	236.43
Case Accounting	-	0.50	1.00	1.50	206.50	137.67
Statutory Compliance	1.00	5.00	3.25	9.25	1,842.25	199.16
Freehold/Leasehold Property	-	3.70	-	3.70	844.50	228.24
Unsecured Creditors	-	0.30	1.50	1.80	192.00	106.67
Debt Collection	-	-	19.60	19.60	3,556.00	181.43
Total Hours	11.00	21.50	25.45	57.95		
Total Time Cost	3,860.00	5,053.50	4,116.75		13,030.25	
Average Rate per Grade	350.91	235.05	161.76			224.85

**Patient First (Shropshire) Limited
In Administration**

Summary of time costs from 1/2/2010 to 19/3/2010

<u>Classification of Work</u>	<u>Partners Hours</u>	<u>Managers Hours</u>	<u>Administrators & Support Staff Hours</u>	<u>Total Hours</u>	<u>Time Cost</u> £	<u>Average Rate p/h</u>
Administration and Planning	-	19.00	2.00	21.00	4,971.00	236.71
Case Accounting	-	3.60	8.50	12.10	1,685.00	139.26
Asset Realisation	13.00	7.30	-	20.30	6,102.50	300.62
Chattel Assets	-	-	0.80	0.80	136.00	170.00
Debt Collection	24.50	3.40	-	27.90	9,345.00	334.95
Freehold/Leasehold Property	2.00	3.30	0.90	6.20	1,575.50	254.11
Unsecured Creditors	-	0.90	-	0.90	222.50	247.22
Secured Creditors	-	1.10	-	1.10	247.50	225.00
Legal/Litigation	-	1.00	-	1.00	261.00	261.00
Statutory Compliance	-	2.40	-	2.40	588.00	245.00
Statutory Reporting	15.00	-	-	15.00	5,280.00	352.00
Employees	-	9.40	-	9.40	2,143.00	227.98
Total Hours	54.50	51.40	12.20	118.10		
Total Time Cost	19,600.00	11,793.00	1,164.00		32,557.00	
Average Rate per Grade	359.63	229.44	95.41			275.67

**Patient First (Hereford) Limited
In Administration**

Summary of time costs from 1/2/2010 to 19/3/2010

<u>Classification of Work</u>	<u>Partners Hours</u>	<u>Managers Hours</u>	<u>Administrators & Support Staff Hours</u>	<u>Total Hours</u>	<u>Time Cost</u> £	<u>Average Rate p/h</u>
Administration and Planning	2.00	15.90	0.10	18.00	4,526.50	251.47
Case Accounting	0.70	-	1.60	2.30	403.50	175.43
Asset Realisation	-	0.70	-	0.70	165.50	236.43
Debt Collection	-	-	1.00	1.00	210.00	210.00
Freehold/Leasehold Property	-	0.50	-	0.50	112.50	225.00
Statutory Compliance	1.00	5.10	1.50	7.60	1,681.00	221.18
Total Hours	3.70	22.20	4.20	30.10		
Total Time Cost	1,020.00	5,452.50	626.50		7,099.00	
Average Rate per Grade	275.68	245.61	149.17			235.85

1 Policy

Detailed below is Vantis policy in relation to:

- disbursements;
- staff allocation and the use of sub-contractors;
- professional advisors;

1.1 Disbursements

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 make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Standard professional practice¹ requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at.

Required professional practice classifies expenses into two broad categories:

- Category 1 expenses (approval not required) – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external supplier's invoice or published tariff of charges;
- Category 2 expenses (approval required) – all other items of expenditure:
 - Which cannot, or cannot easily, be directly related to a particular insolvency case because there is an element of shared or allocated cost; and/or
 - Where the cost of the expense incurred is an estimated, unutilised cost with the estimated based on external costs or opportunity cost.

1.2 Staff Allocation and the use of Sub-contractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, a Manager, an Assistant Manager and an Administrator. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment.

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, e.g. report compilation and distribution, do we seek to charge and recover our time in this regard.

¹ Statement of Insolvency Practice 9 (SIP 9) effective from April 2007

We have not utilised the services of any sub-contractors in this case.

1.3 **Professional Advisors**

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Eversheds LLP	Hourly rate and disbursements
MGR Appraisals	Hourly rate and disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

2 **Charge-out Rates**

A schedule of Vantis charge-out rates for this assignment until 28 February 2010 is detailed below.

	(Per hour) £
Partner	
Partners	340
Manager:	
Manager	225
Assistant Manager	210
Administrator:	
Senior	170
Trainee Administrator	90
Support Staff:	
Case Accountant	90
Assistant	75

A schedule of Vantis charge-out rates for this assignment from 1 March 2010 is detailed below.

	(Per hour) £
Partner	
Partners	400
Manager:	
Manager	265
Assistant Manager	225
Administrator:	
Senior	210
Trainee Administrator	105
Support Staff:	
Case Accountant	90
Assistant	90