

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company

Astra Access Safety Training Ltd ✓

Company number

06474184 ✓

In the

High Court of Justice, Leeds District Registry ✓
(full name of court)

Court case number ✓

152 of 2015

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

I/We (a)

Philip Booth ✓
Booth & Co
Coopers House
Intake Lane
Ossett

WF5 0RG

*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 2015

Signed



Joint Administrator(s)

Dated

31/03/15

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

The contact information that you give will be visible to researchers of the public record

Philip Booth
Booth & Co
Coopers House
Intake Lane
Ossett
WF5 0RG

DX Number

01924 263777

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

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01/04/2015
COMPANIES HOUSE

WEDNESDAY

ASTRA ACCESS SAFETY TRAINING LTD – IN ADMINISTRATION (“THE COMPANY”)

STATEMENT OF THE ADMINISTRATOR’S PROPOSALS PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986

1 Details of Appointment

- 1 1 Date of appointment. 27 February 2015 /
- 1 2 Court Reference High Court of Justice, Chancery Division
Leeds District Registry
No 152 of 2015
- 1 3 Administrator Philip Booth
Booth & Co
Coopers House
Intake Lane
Ossett
WF5 0RG
- 1 4 Authorising Bodies Philip Booth is authorised by the Insolvency Practitioners Association
- 1.5 Appointed by The appointment was made on the application of the Company’s directors pursuant to Paragraph 22(2) of Schedule B1 of the Insolvency Act 1986 (‘IA86’)
- 1 6 I can confirm that the EC Regulations on Insolvency Proceedings apply and that these proceedings are main proceedings as defined in Article 3 (1) of the EC Regulations

2 Statutory Information

- 2 1 Under the provisions of the IA86, the Administrator is required to send to creditors a statement of his proposals for achieving the purposes of the Administration. This document together with its appendices includes all matters which are required to be disclosed under Paragraph 49 of Schedule B1 of the IA86 and Rule 2.33 of the Insolvency Rules 1986, as amended by the Insolvency (Amendment) Rules 2003, and together constitute the Administrator’s statement of proposals to creditors
- 2 2 The statutory details of the Company are attached at Appendix A
- 2 3 In preparing this report I have relied upon information provided by the management and other third parties and as investigations are continuing into the Company’s affairs it has not been possible to verify all such information
- 2 4 I therefore take no responsibility for the completeness or accuracy of this information. However I have, where possible, obtained independent professional advice from agents and solicitors to corroborate the information provided to me

3 Background Information

- 3 1 Full background information is provided in the ‘Report to Creditors in accordance with Statement of Insolvency Practice 16’ which is attached at Appendix B

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4 Circumstances leading to the Appointment of the Administrator

- 4.1 Full details of the circumstances leading to the appointment of Philip Booth as Administrator and the sale of the business and assets required to be disclosed to creditors in accordance with Statement of Insolvency Practice 16 ‘Pre-Packaged Sales in Administrations’ is attached at Appendix B

5 Purpose of Administration

- 5.1 As Administrator of the Company I am an officer of the Court and must perform my duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration
- 5.2 In accordance with Paragraph 3 (1) of Schedule B1 of the IA86, the prioritised objectives of Administration are as follows:
- a) Rescuing the Company as a going concern, or,
 - b) Achieving a better result for the Company’s Creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or
 - c) Realising property in order to make a distribution to one or more secured or preferential creditors
- 5.3 Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and a Company Voluntary Arrangement (“CVA”) was not considered viable as the Company was not trading at a level whereby sufficient cash could be generated to make the monthly contributions which would have been required
- 5.4 When considering objective (b) I concluded that this was achievable, but only by way of an immediate sale of the business and assets to AFI-Uplift Limited (“AFI”)

6 Conduct of the Administration

- 6.1 Immediately following my appointment I concluded a sale of the business and certain assets to AFI. The total sale price was £35,000 which was payable on completion
- 6.2 Full details of the sale, as required to be disclosed in accordance with Statement of Insolvency Practice 16, are attached at Appendix B
- 6.3 In the period leading up to my appointment as Administrator, the Company had made a request to the Company which factored its invoices, being Hitachi Capital (UK) PLC (‘Hitachi’), to allow sufficient funds to be drawn down on the facility to permit wages of £15,100 due at the end of February to be paid, and payments totalling £9,000 to be made in respect of amounts due to the four main training accreditation bodies
- 6.4 The accounts with the training accreditation bodies had been suspended due to non-payment of outstanding balances, and certification for completed courses was being withheld. As a result of these certificates not being issued, debtors were withholding payment of invoices factored to Hitachi

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6 5 Following further discussions with Hitachi, an agreement was reached that they would allow the requested funds to be drawn down, provided that an immediate payment of £20,000 was made to Hitachi following the sale of the business and assets to AFI, which was the value of the purchase consideration attributed to goodwill, and which was caught by the fixed charge element of their debenture

6 6 In accordance with the above, immediately following the sale of the business and assets to AFI, an amount in the sum of £20,000 was paid to Hitachi

6 7 Further details of this transaction are provided in the summary of Administrator’s Receipts and Payments which is attached at Appendix D

7 Statement of Affairs/Financial Position of the Company

7 1 I have requested that the Directors prepare an Estimated Statement of Affairs as at 27 February 2015. I understand that they are in the process of preparing this and it is expected to be received shortly

7 2 In the absence of a Statement of Affairs I have prepared an estimate of the financial position of the Company as at 27 February 2015 from the records of the Company, and this is attached at Appendix C, together with a list of names and addresses of all known creditors, and the amounts of their debts

8 Future Conduct of the Administration

8 1 It is proposed that I will continue to manage the affairs, business and property of the Company in order to achieve the purpose of the Administration. This will include but will not necessarily be limited to

- Collection of the remaining sales ledger balances following reassignment from Hitachi
- Finalising and making payment of any Administration liabilities
- Recording preferential and unsecured creditor claims, where appropriate
- Dealing with statutory reporting and compliance obligations
- Conducting investigations into the conduct of the directors/shadow directors of the Company and reporting to the Department for Business Innovation and Skills (‘BIS’) pursuant to the Company Directors’ Disqualification Act 1986

8 2 It is proposed that once the purpose of the Administration has been achieved and funds are available for distribution to unsecured creditors, or I consider that there is a real prospect of funds being realised which would permit a distribution to be made to unsecured creditors then the Company will exit Administration into Creditors Voluntary Liquidation pursuant to Paragraph 83 of Schedule B1 IA86

8 3 However, in the event that no funds are available for distribution to unsecured creditors, or I consider that there is no real prospect of funds being realised which would permit a distribution to be made to unsecured creditors, the Company will exit administration to dissolution pursuant to Paragraph 84 of Schedule B1 of the IA86, on the basis that there will be no funds to distribute to unsecured creditors via a liquidation process.

9 Administrator’s Receipts and Payments

9 1 A summary of the Administrator’s receipts and payments for the period 27 February 2015 to date is attached at Appendix D

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10 Prescribed Part Fund for Unsecured Creditors

- 10 1 In accordance with Section 176A of the IA86, where a creditor has been granted a floating charge over a Company's assets on or after 15 September 2003, the Administrator must set aside a proportion of the net floating charge realisations for the benefit of unsecured creditors. This is known as the 'Prescribed Part Fund' ('PPF').
- 10 2 The PPF is calculated as follows
- 50% of the first £10,000, plus
 - 20% of the balance (to a maximum of £600,000)
- 10 3 In this instance it is anticipated that there will be no floating charge holders ranking for dividend and therefore the PPF provisions of the legislation will not apply.

11 Pre-Administration Costs

- 11 1 The Board of the Company instructed me to assist them in placing the Company into Administration on 5 February 2015 and it was agreed that I should be paid my pre-appointment fees and expenses on a time costs basis.
- 11 2 In the period before the Company entered Administration, the Administrator carried out work advising the Company's directors on the various options available to the Company with particular reference to Administration, marketing the business and assets and dealing with potential interested parties and in determining at that time that it was reasonably likely that the purpose of Administration would be achieved.
- 11 3 Attached at Appendix F are details of the pre-Administration time costs totalling £8,107 representing 41.4 hours at an average charge-out rate of £195.82. The Administrator is seeking for the unpaid professional costs to be paid as an expense of the Administration, and proposes to limit these to £6,500. Pursuant to Rule 2.67A of the Insolvency Rules 1986, approval to pay the unpaid costs as an expense is required from the Creditors' Committee or, in the absence of a Committee, or if the Committee does not make a determination, by way of a resolution from the creditors.
- 11 4 As it is unlikely that there will be a committee of creditors in this case (in order to save ongoing costs) a separate resolution is being proposed for creditors to vote on this aspect.
- 11 5 In addition to my own time costs I instructed agents and professional advisors. Chadwick Lawrence Solicitors, Wakefield were instructed to advise me in this matter and were chosen due to their experience and knowledge of insolvency matters. Their charges are on the basis of time properly spent dealing with the specific issues arising in this matter. Specifically, they were principally responsible for dealing with the preparation of all documentation for the appointment of the Administrator and the preparation of the contract regarding the sale of the business and assets.
- 11 6 I have received confirmation that their pre-appointment charges are £7,875 plus VAT. In addition disbursements incurred by them prior to my appointment as Administrator total £10.00 plus VAT. I propose that such costs are also paid as an expense of the Administration.

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11 7 I instructed Michael Steel & Co, Agents and Valuers, Leeds to prepare a valuation of the business and assets. They attended at the Company's premises and reviewed the chattel assets. They also reviewed the terms of the lease in order to establish whether there would be any premium value and provided valuation advice in relation to the intangible assets such as goodwill, website and domain names. Their costs are £1,200 plus VAT and I propose that these costs are paid as an expense of the Administration.

11 8 All professional fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

12 Administrator's Remuneration

12.1 The statutory provisions relating to remuneration are contained in Rule 2.106 of the Insolvency Rules 1986, as amended by the Insolvency (Amendment) Rules 2003. A guide to Administrator's fees is attached at Appendix E for your information.

12 2 I have yet to draw any fees for acting as Administrator, and my firm's total time charges to 20 March 2015 of £8,431 representing 46.7 hours, at an average charge-out rate of £180.54. Further details are attached at Appendix F2 along with details of the firm's charge out rates at Appendix G. From 1 April 2015 the firm's charge out rates are due to increase and details of the revised rates are included at Appendix G.

12 3 I propose that my remuneration for acting as Administrator be charged by reference to time necessarily incurred by myself and my colleagues, at the firm's designated charge out rates up to the date of my release. Such remuneration to be drawn as and when funds are available and without further reference to creditors.

12 4 A description of the routine work undertaken in the Administration to date is as follows -

Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS case management software
- Review and storage of Company records
- Case bordereau
- Case planning and Administration
- Maintaining and managing the Administrator's cashbook and bank account

Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to members and creditors
- Convening meetings of members and creditors
- Maintaining creditor information on IPS case management software
- Reviewing, and adjudicating on if necessary, proofs of debt received from creditors

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Realisation of Assets

- Negotiation resulting in the sale of the Company's business and assets
- Liaising with valuers and solicitors regarding the sale of the Company's business and assets
- Liaising with the Company's bank regarding the closure of the account
- Liaising with valuers regarding the Company's long leasehold property
- Dealing with insurers

Trading

- Dealing with employees prior to the sale of the business
- Dealing with initial on-site considerations immediately following the Administrator's appointment

13 Administrator's Disbursements

13 1 Details of the rates at which disbursements are charged are attached at Appendix G

13 2 Category 1 disbursements (a simple reimbursement of actual payments made on behalf of the assignment which do not require creditor approval) currently outstanding are as follows -

	£
Company Search	10.00
Postage	17 50
Insolvency Bond	480 00
Statutory Advertising	75.00
	<hr/> 582 50

13 3 Category 2 disbursements (charges including an element of shared or allocated costs which require creditor approval) currently outstanding are as follows -

	£
Photocopying	78 75
	<hr/> 78 75

13 4 I propose that I should be able to charge my Category 2 disbursements as an expense of the Administration

14 Administrator's Proposals

14 1 I am required to set out my proposals for achieving the purpose of the Administration which in this context means achieving one of the objectives specified in Paragraph 3 of Schedule B1 IA 86, as outlined in Section 5 above.

14 2 For the reasons set out above, I considered that the most appropriate objective was to pursue that specified in Paragraph 3(1)(b) of Schedule B1 IA86, namely I believe I have achieved a better result for creditors as a whole than would be likely if the Company were wound up (without first being in Administration)

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- 14 3 I furthermore consider that pursuing this objective has not unnecessarily harmed the interests of the Company's creditors as a whole
- 14 4 I consider that, by concluding a sale of the Company's assets, I have achieved the objective set out above
- 14 5 I consider that funds will be made available to distribute to unsecured creditors, and that the Company will therefore exit Administration into creditors voluntary liquidation pursuant to Paragraph 83 of Schedule B1 IA86
- 14.6 As stated above, I consider that the most appropriate exit route in this instance is to Creditors Voluntary Liquidation pursuant to Paragraph 83 of Schedule B1 of the IA86, as it is anticipated that there will be funds available to distribute to unsecured creditors
- 14 7 However, in the event that no funds are made available to distribute to unsecured creditors, or I consider that there is no real prospect of funds being realised which would permit a distribution to be made to unsecured creditors, then the Company may exit Administration to dissolution pursuant to Paragraph 84 of Schedule B1 IA86
- 14 8 In accordance with Paragraph 49 of Schedule B1 of the IA86, I make the following proposals for achieving the purpose of the Administration to the creditors of the Company for consideration

I propose that -

- 14 8 1 I will continue to manage the business, affairs and property of the Company and do all other such things and generally exercise all of my powers as Administrator as I consider desirable or expedient at my discretion in order to achieve the purpose of the Administration, to protect and preserve the assets of the Company, to maximise the realisations of those assets or for any other purpose incidental to these proposals
- 14.8 2 I will realise any additional assets that may come to my attention during the course of the Administration.
- 14 8 3 I be permitted to charge fees on a time cost basis and be authorised to draw fees on account
- 14.8.4 I be authorised to charge disbursements to the case which include elements of shared or allocated costs ('Category 2' disbursements), such disbursements to be charged from time to time.
- 14 8.5 I be authorised to receive payment in the sum of £6,500 plus disbursements and VAT in respect of my assistance with the making of the appointment, marketing the business and assets and dealing with potential interested parties and in determining at that time that it was reasonably likely that the purpose of Administration would be achieved.
- 14 8 6 I be permitted to discharge the pre-Administration costs as detailed above as an expense of the Administration.
- 14 8 7 I will, if appropriate, seek permission of the Court to make a distribution to unsecured creditors of the Company pursuant to Paragraph 65 of Schedule B1 of IA86.

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14 8 8 I be permitted to appoint and retain agents and solicitors of my choice.

14 8 9 The Administration may be extended by six months prior to the one year anniversary pursuant to paragraph 76 of Schedule B1 to IA 1986

14 8 10 If I am of the view that it is appropriate for the Company to move from Administration to liquidation, whether compulsory or voluntary, the Administrator be authorised to take steps to place the Company into whichever liquidation process he, at his discretion, deems appropriate. Pursuant to Paragraph 83 of Schedule B1 to the IA 1986, should the creditors not nominate a Liquidator, the proposed Liquidator is to be Philip Booth Pursuant to Paragraph 83(7)(a) and Rule 2 117A(2)(b) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved

14 8 11 Once the purposes of the Administration have been achieved if I think the Company has no property which might permit a distribution to its unsecured creditors, or if I also consider that an exit from Administration into liquidation is not appropriate, I will send a notice to the Registrar of Companies in accordance with paragraph 84 of Schedule B1 to the IA 1986 and three months after the filing of the notice the Company will be deemed to be dissolved

15 Creditors' Meeting

15 1 On present information I consider it is likely that there will be sufficient funds to enable a dividend to be paid to unsecured creditors

15 2 With the exception of cases in respect of which the statement of proposals states that the Administrator thinks that the Company has sufficient property to enable each creditor to be paid in full, or that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of section 176A(2)(a) IA 86, or that neither of the objectives specified in paragraph 3(1)(a) and (b) can be achieved, the Administrator is required to convene an initial creditors' meeting.

15 3 In accordance with Rule 2 48 of the Insolvency Rules 1986 I intend to conduct the business of the creditors meeting by correspondence, and enclosed with the proposals are notice in Form 2.25B and a Proof of Debt Form

15 4 In order for any business to be transacted I must receive at least one valid Form 2.25B by the closing date specified in the Form 2.25B and if no valid Form 2 25B is received by the closing date specified then the Administrator is required call a meeting of creditors in accordance with Rule 2.25 of the Insolvency Rules 1986

15.5 Any single creditor, or group of creditors, of the Company whose debts amount to at least 10% of the total debts of the Company may, within 5 business days from the date of the Administrator sending out a resolution or proposals, require him to summon a meeting of creditors to consider the matters raised therein in accordance with Rule 2 37 of the Insolvency Rules 1986 Any meeting called under this rule shall be conducted under Rule 2 35 of the Insolvency Rules 1986

ASTRA ACCESS SAFETY TRAINING LTD – IN ADMINISTRATION (“THE COMPANY”)

16 Report on Conduct of Directors

- 16 1 I have a duty under the Company Directors’ Disqualification Act 1986 to investigate the conduct of all directors/shadow directors in the three years prior to my appointment. The report must be submitted to the Department for Business Innovation and Skills (DBIS) within six months of my appointment.
- 16 2 The report is a confidential document between myself and DBIS and will not be made available for public inspection.
- 16 3 If you consider that there are any matters which should be brought to my attention for the purposes of completing the conduct report, please forward written details as soon as possible.

17 Exit from Administration

- 17 1 As mentioned above, on present information I consider that the Company will have sufficient property to enable a distribution to be made to unsecured creditors.
- 17 2 Consequently, as soon as I am satisfied that I have fully discharged my duties as Administrator and that the purpose of the Administration has been achieved, I propose to implement the provisions of Paragraph 83 of Schedule B1 IA 1986 and move the Company into Creditors Voluntary Liquidation. If this is not appropriate, I propose to implement the provisions of Paragraph 84 of Schedule B1 IA 1986 and apply for the Company to be dissolved.
- 17 3 Under the provisions of Paragraph 84, on the registration of a notice sent by me to the Registrar of Companies, my appointment will cease to have effect, and at the end of a period of three months the Company will be automatically dissolved.

18 General

- 18 1 Should you have any queries regarding the proposals or any of the enclosures, please do not hesitate to contact me.

Dated: 26 March 2015

Signed



**Philip Booth
Administrator**

ASTRA ACCESS SAFETY TRAINING LTD – IN ADMINISTRATION
("THE COMPANY")

Appendix A – Statutory Information

Court Details:	High Court of Justice, Chancery Division, Leeds District Registry No 152 of 2015		
Trading name and address:	Astra Access Safety Training Ltd Unit 3, Junction 38 Business Park Parkside Way Barnsley South Yorkshire S71 5QQ		
Company Number	06474184		
Date of Incorporation	16 January 2008		
Registered office	Booth & Co Coopers House Intake Lane Ossett West Yorkshire WF5 0RG Formerly Unit 3, Junction 38 Business Park Parkside Way Barnsley South Yorkshire S71 5QQ		
Directors:	Mandy Aston Michael Anthony Aston		
Secretary	Mandy Aston		
Shareholders: (Ordinary £1)	Mandy Aston	100	(50%)
	Michael Anthony Aston	100	(50%)
Mortgages and Charges	Debenture created on 1 April 2014 and registered on 3 April 2014 in favour of Hitachi Capital (UK) Plc		

ASTRA ACCESS SAFETY TRAINING LTD – IN ADMINISTRATION
("THE COMPANY")

**Appendix B – Report to Creditors in accordance with Statement of Insolvency
Practice 16**

ASTRA ACCESS SAFETY TRAINING LTD – IN ADMINISTRATION

INFORMATION ABOUT THE COMPANY AND THE PRE-PACKAGED SALE OF THE COMPANY'S ASSETS AND UNDERTAKING ON 27 FEBRUARY 2015

Report to Creditors in accordance with Statement of Insolvency Practice 16

The term pre-packaged sale (or pre-pack) refers to an arrangement under which the sale of all or part of a Company's business or assets is negotiated with a purchaser prior to the appointment of an Administrator, and the Administrator effects the sale immediately on or shortly after his appointment.

Insolvency Practitioners who are party to the pre-packaged sale, whether as adviser to the Company before the appointment, or as the appointed Administrator, or both, must be mindful of the duties which they, and those who act on their advice owe to parties who might be affected by the arrangement.

In keeping with best practice guidelines, below is a detailed record of the reasoning behind the decision to undertake a pre-packaged sale in this case, and justification as to why such a course of action was considered appropriate.

Background

Astra Access Safety Training Ltd ("the Company") was incorporated on 16 January 2008 and specialised in providing construction industry training courses related to working at height.

The Company traded from leasehold premises at Unit 3, Junction 38 Business Park, Parkside Way, Huddersfield Road, Darton, Barnsley, S75 5QQ. It moved to this site from its former leasehold premises at Flanshaw, Wakefield on 30 September 2011. The lease is for a term of 10 years and the first two years were rent free after which the annual rent increased to £50,737, £76,105 and £88,790 in the third, fourth and fifth years respectively. In addition to the annual rent, an annual service charge of £25,367 is payable. The annual cost of the site was considerably more expensive than the Flanshaw site, the annual rent in respect of which was £15,000 per annum, but at the time of the move the Company was expanding rapidly and needed more space and training facilities.

The Company operates with the benefit of banking facilities provided by National Westminster Bank plc. In April 2014 the Company entered into a debt factoring agreement with Hitachi Capital (UK) PLC ("Hitachi") and the Company granted a fixed and floating charge debenture to Hitachi as security for the facility.

The Company employed 8 staff (including the two directors) to undertake various training and administrative functions.

Following the move to Barnsley, the Company commenced an extensive refurbishment program which included the installation of extra offices, classrooms and training facilities at the site. The costs associated with the refurbishment are estimated at around £100,000, and these costs were met from cash reserves. A delay of around 3 months in the installation of telecommunications equipment at the site resulted in significant disruption and at the same time the loss of a major customer contract had a further adverse impact on the business.

The Company has found it difficult to compete in the marketplace as many of its competitors offer training as part of a package included in the purchase of items of plant and machinery such as access platforms. More of these types of supplier have entered the market in recent years and the Company has also lost a number of customers when former training staff have moved to these competitor businesses.

This deterioration in the Company's trading performance and high overhead costs associated with the leasehold premises has had a severe effect on cash flow.

From around September 2014 the Company has struggled to pay creditors as amounts fell due, and in particular has accrued rent and service charge arrears of around £57,000. The non-payment of outstanding invoices due to accreditation bodies led to the withholding of certification which trainees were due to receive, which in turn led to customers withholding payment of outstanding invoices.

In January 2015, the Directors approached an unconnected company which was also a customer of the business, being AFI-Uplift Limited ("AFI") to establish whether they would have any interest in buying the business. Following further discussions, at the end of January 2015 an offer to purchase the business and assets was made by AFI.

During the due diligence process AFI had identified that the Company was insolvent and accordingly the offer was conditional upon purchasing the business from a duly appointed Administrator. AFI suggested that the Directors speak to PR Booth & Co, because AFI had been the purchaser of the business and assets of another unconnected construction industry training company in respect of which Philip Booth had been appointed as Administrator in 2012.

Representatives of PR Booth & Co first met with the Directors on 3 February 2015, in order to consider the current position and the offer received from AFI.

Having reviewed the Company's financial position it was considered that the Company would be unable to put forward proposals for a Company Voluntary Arrangement ("CVA") based on monthly contributions, as the Company was not trading at a level whereby sufficient cash could be generated to make such payments.

It was agreed that of the remaining options available to the Company, an out of court appointment of an Administrator by the Directors, with an immediate 'pre-pack' sale of the business and assets, was preferable to placing the Company into either Creditors Voluntary Liquidation ("CVL") or Compulsory Liquidation ("CWU").

Given the relatively small number of similar companies it was considered that there was likely to be limited interest in the business and it was therefore agreed that an extensive marketing campaign offering the business for sale as a going concern would neither be possible nor effective and would be unlikely to generate any additional offers which could be progressed immediately.

Furthermore, there was no prospect of the Company being able to trade whilst in Administration given the lack of funds and funding options available.

Following further consideration of the manner in which the Company's assets should be realised it was concluded that, subject to further verification of asset values and identifying any other potential interested parties, a pre-packaged sale of the assets to AFI was likely to result in the best return for creditors.

PR Booth & Co. was formally instructed by the Company on 5 February 2015. On 13 February 2015, a formal offer for the business and assets of the Company was received from AFI, further details in relation to which are provided below. Philip Booth was subsequently appointed as Administrator on 27 February 2015, and the sale of the Company's business and assets to AFI completed on the same date.

Further information regarding the role of PR Booth & Co. and the subsequent appointment and sale of the business and assets required to be disclosed to creditors in accordance with Statement of Insolvency Practice 16 'Pre-Packaged Sales in Administrations' are provided below.

The Reasons for the Pre-Packaged Sale

In the opinion of the proposed Administrator the pre-packaged sale was the best option for the Company's creditors. Attached at Appendix 1 is a Statement of Affairs and Estimated Outcome Statement which compares the estimated outcome of a Compulsory Liquidation with Administration and the pre-packaged sale of the business and assets. This indicates that in Compulsory Liquidation there would be funds available to pay a dividend of 16p in £ to preferential creditors, but no funds would be available to pay a dividend to unsecured creditors.

The estimated outcome for the Administration is that there are no preferential creditors ranking for dividend and that unsecured creditors may receive a dividend of approximately 19p in £.

The sale has been undertaken in order to preserve the value in the business and assets as a going concern which would have been lost if it had entered into Compulsory Liquidation. All of the 8 employees have been transferred to the purchaser. In Compulsory Liquidation their employment would have been terminated and the liability to pay them amounts owed in respect of arrears of wages, holiday pay, notice pay and redundancy, which are estimated at £41,118, would have crystallised. This liability has been avoided following the transfer of their employment to the purchaser.

As a result of the crystallisation of these liabilities and the costs associated with a Compulsory Liquidation having been avoided, the purchase consideration (net of the costs of the Administration proceedings) will be available for distribution to the Company's unsecured creditors.

It was recognised that the sale of the business and assets of the Company should take place quickly to maintain the value of the business and preserve it for the benefit of creditors. Because the Company had, through the pre-packed sale, the potential to realise funds to make a return to ordinary unsecured creditors it was not thought that liquidation should be considered as it was believed that greater realisations would be achieved through an Administration.

The Statutory Purpose of Administration That Was Pursued

The statutory purpose of Administration which was pursued was to achieve a better result for the Company's creditors as a whole than would be likely if the Company was to be wound up (without first being in Administration) pursuant to Paragraph 3 (1)(b) of Schedule B1 of the Insolvency Act 1986.

FURTHER INFORMATION IN RELATION TO THE PRE-PACKAGED SALE

PRE-APPOINTMENT CONSIDERATIONS

Who was the source of PR Booth & Co's initial introduction to the Company ?

PR Booth & Co. was introduced to the Company by AFI. AFI had already entered into negotiations to purchase the business and made an offer which given that the Company was insolvent required the purchase to be from a duly appointed Administrator.

What was the extent of Philip Booth's, and PR Booth & Co's involvement with the Company before appointment ?

Further details regarding the involvement of Philip Booth and PR Booth & Co. with the Company are provided above.

Following instructions being received from the Company to assist with the appointment of an Administrator and pre-packaged sale of the business and assets, Chadwick Lawrence Solicitors were instructed in respect of drafting the sale and purchase agreement and Michael Steel & Co. were instructed in relation to asset valuations. Negotiations with the purchaser were conducted prior to the Administrator's appointment.

Prior to his appointment the Administrator advised the Company only. No advice was given to the Directors on their personal position. The Directors were recommended to take independent legal advice and advised of their fiduciary duties to the Company in the period leading up to the appointment.

Negotiations with the purchaser in relation to the pre-packaged sale were conducted through the agents, Michael Steel & Co prior to the formal appointment of an Administrator. It was made clear to the Directors that once Philip Booth was appointed as Administrator his responsibility would be to act in the best interests of the Company's creditors. This would mean that he could no longer provide advice to the Company and that his pre-appointment duties to the Company would cease. He would be required to take custody or control of the Company's property and assets and to manage the affairs, business and property of the Company in accordance with the approved proposals of the Administrator.

Was the business or were the assets of the Company acquired from an insolvency practitioner in the 24 months prior to the pre-packaged sale ?

The Administrator is not aware of any such acquisitions

What marketing of the Company's undertaking and assets was undertaken by the Company ?

No marketing of the Company's undertaking and assets was undertaken by the Company. An independent appraisal of the AFI offer was undertaken by Michael Steel & Co. and concluded that because of the small number of similar companies operating in what is essentially a niche market there would be limited interest in the business.

Having considered their valuation of the assets, the transfer to the purchaser of employee liabilities under TUPE, and the threat of distraint action by the Landlord for arrears of rent, the Administrator and his valuation agents, Michael Steel & Co. were of the opinion that if a marketing campaign was undertaken it was extremely unlikely that any other party would have a level of interest which would result in a better offer than that received from AFI.

Due regard was also given to the likelihood that had the business been advertised for sale, because of the relatively small number of companies providing this type of training, it would have been possible for customers to identify the Company, in the event of which future bookings may not have been placed and bookings already taken may have been cancelled.

What marketing of the Company's undertaking and assets was undertaken by Philip Booth ?

None. The business and assets were sold to AFI immediately after the Administrator's appointment.

What valuation of the Company's assets and undertaking was obtained ?

The assets of the Company were valued by Michael Steel & Co. The valuations were prepared on break-up and going concern bases.

Attached at Appendix 2 is a summary of the asset valuations.

What security has the Company provided to its creditors ?

The Company has granted a debenture to Hitachi Capital (UK) PLC which was created on 1 April 2014 and registered on 3 April 2014. The debenture incorporates fixed and floating charges over the company's assets.

What alternative courses of action were considered by Philip Booth ?

The Company had limited options available. A Company Voluntary Arrangement was not viable, and the only alternative course of action would have been to place the Company into liquidation.

Why was it not appropriate to trade the business during the Administration in order to offer it for sale as a going concern ?

Financial projections indicated that the Company could not continue to trade without further funding, which was not available. The proposed Administrator was not satisfied that the Company could trade profitably in Administration, and believed that the business would deteriorate rapidly if trading was continued following his appointment. A major consideration in reaching this conclusion was the high rent and service charge which would have been incurred.

What requests were made to potential funders to fund working capital requirements during the Administration ?

No requests were made as continued trading following the appointment of an Administrator was not considered to be a viable option.

What consultations took place with major creditors ?

The debenture holder, Hitachi Capital (UK) PLC was consulted, and updated as matters progressed

The Landlord, being the Company's major unsecured creditor, was not consulted because of the concern that distraint action may have been taken in respect of the rent arrears.

THE TRANSACTION

What was the date of the transaction ?

Philip Booth was appointed as Administrator on 27 February 2015 and the contract for the sale of the Company's business and certain assets was executed on the same date

What were the assets sold and what was the nature of the transaction ?

The business and assets of the Company were sold as a going concern. The following details are provided in relation to the assets sold and purchase consideration payable .-

Goodwill	£20,000
Customer Contracts	£10,000
Sellers Records	£3,000
Plant & Equipment	£1,000
Intellectual Property	£1,000
Total	£35,000

What was the consideration for the sale, including payment terms, and other conditions of the contract that could materially affect the consideration ?

The sale price was £35,000 with the whole of the purchase consideration being payable on completion.

Is the sale part of a wider transaction ?

No – there are no other transactions involved.

Who was the purchaser ?

AFI-Uplift Limited

Is there a connection between the purchaser and the directors, shareholders or secured creditors of the Company or their associates ?

The Administrator is not aware of any connection between the purchaser and the directors, shareholders or secured creditors of the Company or their associates.

Are any directors, or former directors of the Company involved in the management or ownership of the purchaser, or any other entity into which any of the assets have been transferred ? If so, who are they ?

The Administrator is not aware that any directors, or former directors of the Company are involved in the management or ownership of the purchaser, or any other entity into which any of the assets have been transferred.

Had any directors of the Company given guarantees for amounts due from the Company to a prior financier ? Is that financier financing the new business ?

The Administrator is not aware that any Directors of the Company have given guarantees for amounts due from the Company to a prior financier. The prior financier is not funding the new business.

What options, buy-back arrangements, or similar conditions are attached to the contract of sale ?

There are no options, buy-back arrangements or similar conditions attached to the contract of sale.

Conclusion

Given the above I am satisfied that in the circumstances the highest possible price for the business and assets has been obtained and that a better result for the creditors as whole is more likely to be achieved than if the Company was wound up (without first being in Administration)

A handwritten signature in black ink, appearing to read 'P. Booth', with a stylized flourish extending from the end.

**Philip Booth
Administrator**

The affairs, business and property of the Company are being managed by the Administrator who acts as agent of the Company and contracts without personal liability

ASTRA ACCESS SAFETY TRAINING LTD - IN ADMINISTRATION**ADMINISTRATOR'S ESTIMATE OF THE FINANCIAL POSITION AS AT 27 FEBRUARY 2015**

	Book Value (£)	Estimated to Realise (£)
Assets Specifically Pledged		
Book Debts	82,000	
Less General Provision (20%)	(16,400)	
	65,600	
Less Hitachi Capital (UK) PLC Surplus	(39,690)	
	25,910	25,910
Goodwill	nil	20,000
Assets Not Specifically Pledged		
Plant & Machinery	800	1,000
Sellers records	nil	3,000
Customer Contracts	nil	10,000
Business Intellectual Property	nil	1,000
Estimated Assets Available for Preferential Creditors	26,710	60,910
Preferential Creditors		
Employees - Arrears of Wages/Holiday Pay (est)	(2,086)	n/a
Estimated Surplus as regards Preferential Creditors	24,624	60,910
Estimated Assets Available for Non Preferential Creditors	24,624	60,910
Trade & Expense creditors	(27,555)	(27,555)
Landlord (est arrears plus 6 months future rent)	(95,306)	(95,306)
HM Revenue & Customs (PAYE/NIC)	(10,780)	(10,780)
HM Revenue & Customs (VAT)	(29,200)	(29,200)
Employees - Notice Pay/Redundancy (est.)	(39,032)	n/a
	(201,873)	(162,841)
Estimated Deficiency as regards Non Preferential Creditors (exc any shortfall to Floating Charge Holders)	(177,249)	(101,931)
Estimated Deficiency as regards Unsecured Creditors as a whole	(177,249)	(101,931)
Share Capital	(200)	(200)
Estimated Total Deficiency	(177,449)	(102,131)

PR Booth & Co
Astra Access Safety Training Ltd
B - Company Creditors

Key	Name	Address	£
CA00	AFI Uplift	Diamond House, Diamond Business Park, Thomes Moor Road, Wakefield, WF2 8PT	1,665 60
CA01	Access Scaffolding Ltd	12 Oldfield, Honley, Holmfirth, HD9 6RL	1,500 00
CA02	Ant Hire Ltd	Queen Street, Stourton, Leeds, LS10 1SL	509 38
CA03	Alpine Industrial Safety & Training Ltd	99 Aspenden Road, Buntingford, Herts, SG9 9FS	300 00
CB00	CBRE Property & Asset Management	Pacific House, 70 Wellington Street, Glasgow, G2 6UA	95,306 00
CB01	Beeswift Ltd	West Wing, Delta House, Delta Point, Greet Green Rd, West Bromwich, W Midlands, B70 9PL	145 10
CB02	Bibbys Financial Services	3-4 Packington House, Banbury, Oxon, OX16 0AA	0 00
CC00	CTA 101	7 Regent Road, Wallsend, Tyne and Wear, NE28 8DP	2,500 00
CC01	Construction Skills	Site Safety Plus, Bircham newton, Kings Lynn, Norfolk, PE31 6RH	1,476 60
CC02	C&G Training Solutions Ltd	Venture One Business Park, 22 Long Acre Close, Sheffield, S20 3FR	1,026 00
CC03	CISRS	4th Floor, 12 Bridewell Place, London, EC4V 6AP	475 00
CC04	Chamber of Commerce (Barnsley &)	2 Genesis Business Park, Sheffield Road, Templebrough, Rotherham, S60 1DX	99 80
CC05	Copter Systems Ltd	Unit 1 DA, Redbrook Business Park, Withorpe Road, Barnsley, S75 1JN	90 85
CE00	Employees		41,118 00
CF00	Firefly Leeds		3,370 00
CG00	Generation Hire & Sales Ltd	12 Boston Avenue, Kirkstall, Leeds, LS5 3DL	338 64
CH00	HSS Hire Shops	Unit 2 Ledger Park, Haigh Park Road, Stourton, Leeds, LS10 1RT	59 60
CH01	HM Revenue & Customs	25 Willow Lane, Mitcham, Surrey, CR4 4TS	39,980 32
CH02	Hitachi Capital (UK) PLC	Insolvencies & Securities, 3rd Floor, Euston Tower, 286 Euston Road, London, NW1 3UQ	39,690 00
CI00	Internet Marketing Platinum Ltd	5 Hollinswood Court, Stafford Park, Telford, Shropshire, TF3 3DE	1,100 00
CI01	IQA Services	BBIC, Innovation Way, Withorpe, Barnsley, S75 1JL	1,020 00
CI02	Independent Access Engineering	18 Briscoe Lane, Newton Heath, Manchester, M40 1JZ	978 00
CI03	Infotone Imaging Supplies Ltd	18 Stonecliffe Drive, Middlestown, Wakefield, WF4 4QD	291 24
CK00	KB Training	Unit 4 Plaxton Park, Cayton Low Road, Eastfield, YO11 3BY	1,500 00
CL00	Liftrain	9 Glendale Close, Hanover Estate, Gateshead, NE21 6HD	3,685 00
		Unit 303 Bretton Street Enterprise Centre, Bretton Business Park, Savile Town, Dewsbury, WF12 9BS	
CL01	LW Training	71 Hunsworth Lane, Cleckheaton, BD19 4EF	740 00
CN00	Nat West Mentor	100 West George Street, Glasgow, G2 1PP	624 00
CN01	Network Vehicles Ltd	2 Burston Road, London, SW15 6SD	231 28

Signature _____

PR Booth & Co
Astra Access Safety Training Ltd
B - Company Creditors

Key	Name	Address	£
CN02	Natwest Bank Plc	8 Market Place, Huddersfield, HD1 2AL	0 00
CR00	Ridge Gear	Marling Mills, Nelson Street, Leek, Staffs, ST13 6BB	1,388 73
CR01	Risk Disk	Prospect House, Sherwood E Village, Ollerton, NG22 9SS	318 00
CR02	RB Training	31 Thorpe Street, Thorpe Hesley, Rotherham, S61 2RZ	250 00
CS00	Specialist Safety Management	95 Birley Street, Newton Le Willows, Merseyside, WA12 9UN	450 00
CT00	Tandim Vestigo Ltd	46 Barkston House, Croydon Street, Leeds, LS11 9RT	732 00
CV00	VNA Forklifts Ltd	Unit 2 Spring Park, Clayburn Road, Grimethorpe, S72 7FD	180 00
CW00	Webbs Training Services	1346-1352 Pershore Road, Stinchley, Birmingham, B30 2XS	283 20
CY00	Yorkshire Office Group	Unit 15, Headway Business Park, Wakefield, WF2 7AZ	226 58
37 Entries Totalling			243,648.92

Signature _____

ASTRA ACCESS SAFETY TRAINING LTD - IN ADMINISTRATION**COMPARISON OF ESTIMATED OUTCOME OF CWU AND ADMINISTRATION**

	<u>£</u>	<u>Liquidation</u> <u>£</u>	<u>Administration</u> <u>£</u>
<u>Assets Available</u>			
Per Statement of Affairs		26,710	60,910
Estimated total assets available		26,710	60,910
<u>Less costs:</u>			
<u>Liquidation (Compulsory)</u>			
Petitioning creditor's costs (est.)	(2,000)		
Secretary of State Fees	(5,976)		
Case administration fee	(2,400)		
Liquidator's Fees (est.)	(10,000)		
Liquidator's Disbs (est.)	(1,500)		
Legal and Agents Fees (est.)	(4,500)		
		(26,376)	
<u>Administration</u>			
Administrator's Fees (pre-appt)			(7,500)
Administrator's Fees (post-appt)			(10,000)
Other Professional Costs			(9,000)
Disbursements (estimated)			(2,000)
Estimated assets available to Preferential Creditors		334	32,410
Preferential Creditors		(2,086)	n/a
Estimated Surplus as regards Preferential Creditors		(1,752)	32,410
Estimated assets available for Unsecured Creditors		(1,752)	32,410
Trade & Expense creditors		(27,555)	(27,555)
Landlord (est - arrears plus 6 months future rent)		(95,306)	(95,306)
HM Revenue & Customs (PAYE/NIC)		(10,780)	(10,780)
HM Revenue & Customs (VAT)		(29,200)	(29,200)
Employees - Notice Pay/Redundancy (est.)		(39,032)	n/a
		(201,873)	(162,841)
Estimated deficiency as regards Creditors		(203,625)	(130,431)
Estimated dividend to Preferential Creditors		16p	n/a
Estimated dividend to Unsecured Creditors		nil	19p

General Note.

All professional costs are excluding VAT

Appendix 2

Astra Access Safety Training Ltd
Summary of Valuation Report

	<u>In situ</u>	<u>Ex situ</u>
	<u>£</u>	<u>£</u>
Plant & Machinery	2,250.00	800.00
Website / domain names	500 00	nil
Goodwill	7,500.00	nil
Total	<u>10,250 00</u>	<u>800 00</u>

**ASTRA ACCESS SAFETY TRAINING LTD – IN ADMINISTRATION
("THE COMPANY")**

**Appendix C – Administrator's Estimate of the Financial Position as at
27 February 2015**

ASTRA ACCESS SAFETY TRAINING LTD - IN ADMINISTRATION**ADMINISTRATOR'S ESTIMATE OF THE FINANCIAL POSITION AS AT 27 FEBRUARY 2015**

	Book Value (£)	Estimated to Realise (£)
Assets Specifically Pledged		
Book Debts	82,000	
Less General Provision (20%)	<u>(16,400)</u>	
	65,600	
Less Hitachi Capital (UK) PLC Surplus	<u>(39,690)</u>	
	25,910	25,910
Goodwill	nil	20,000
Assets Not Specifically Pledged		
Plant & Machinery	800	1,000
Sellers records	nil	3,000
Customer Contracts	nil	10,000
Business Intellectual Property	<u>nil</u>	<u>1,000</u>
Estimated Assets Available for Preferential Creditors	26,710	60,910
Preferential Creditors		
Employees - Arrears of Wages/Holiday Pay (est)	(2,086)	n/a
Estimated Surplus as regards Preferential Creditors	24,624	60,910
Estimated Assets Available for Non Preferential Creditors	24,624	60,910
Trade & Expense creditors	(27,555)	(27,555)
Landlord (est. arrears plus 6 months future rent)	(95,306)	(95,306)
HM Revenue & Customs (PAYE/NIC)	(10,780)	(10,780)
HM Revenue & Customs (VAT)	(29,200)	(29,200)
Employees - Notice Pay/Redundancy (est.)	(39,032)	n/a
	<u>(201,873)</u>	<u>(162,841)</u>
Estimated Deficiency as regards Non Preferential Creditors (exc any shortfall to Floating Charge Holders)	(177,249)	(101,931)
Estimated Deficiency as regards Unsecured Creditors as a whole	(177,249)	(101,931)
Share Capital	(200)	(200)
Estimated Total Deficiency	<u>(177,449)</u>	<u>(102,131)</u>

**ASTRA ACCESS SAFETY TRAINING LTD – IN ADMINISTRATION
("THE COMPANY")**

**Appendix D – Administrator's Abstract of Receipts & Payments
to 26 March 2015**

Astra Access Safety Training Ltd
(In Administration)
Administrator's Abstract of Receipts & Payments

Statement of Affairs		From 27/02/2015 To 26/03/2015	From 27/02/2015 To 26/03/2015
	SECURED ASSETS		
20,000 00	Goodwill	<u>20,000 00</u>	<u>20,000 00</u>
		20,000 00	20,000 00
	GENERAL SECURED GROUP		
25,910 00	Book Debts	NIL	NIL
1,000 00	Plant & Machinery	1,000 00	1,000 00
3,000 00	Sellers Records	3,000 00	3,000 00
10,000 00	Customer Contracts	10,000 00	10,000 00
1,000 00	Business Intellectual Property	<u>1,000 00</u>	<u>1000 00</u>
60,910 00		35,000 00	35,000 00
	SECURED CREDITORS		
	Hitachi Capital (UK) PLC	<u>(20,000 00)</u>	<u>(20,000 00)</u>
		15,000 00	15,000 00
	PREFERENTIAL CREDITORS		
(2,086 00)	Employee Arrears/Hol Pay	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	UNSECURED CREDITORS		
(27,555 00)	Trade & Expense Creditors	NIL	NIL
(39,032 00)	Employees	NIL	NIL
(95,306 00)	Landlord	NIL	NIL
(10,780 00)	HM Revenue & Customs (PAYE/NIC)	NIL	NIL
(29,200 00)	HM Revenue & Customs (VAT)	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	DISTRIBUTIONS		
(200 00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
<u>(204,159 00)</u>		<u>15,000 00</u>	<u>15,000 00</u>
	REPRESENTED BY		
	Bank 1 Current		<u>15,000 00</u>



Philip Booth
Liquidator

**ASTRA ACCESS SAFETY TRAINING LTD – IN ADMINISTRATION
("THE COMPANY")**

Appendix E – A Creditors' Guide to Administrators' Fees

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES

ENGLAND AND WALES

1 Introduction

- 1 1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees, explain the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.

2 The nature of administration

- 2 1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable

- realising property in order to make a distribution to secured or preferential creditors

3 The creditors' committee

- 3 1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's remuneration

- 4 1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed
- as a percentage of the value of the property which the administrator has to deal with,
 - by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
 - as a set amount.

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the administrator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the administrator.

It is for the creditors' committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case,
- any responsibility of an exceptional kind or degree which falls on the administrator,
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the property which the administrator has to deal with.

4.2 If there is no creditors' committee, or the committee does not make the requisite determination (and provided the circumstances described in paragraph 4.3 do not apply), the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator, but the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.

In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of –

- each secured creditor of the company, or
- if the administrator has made or intends to make a distribution to preferential creditors –
 - each secured creditor of the company, and
 - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,

having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

5. Review of remuneration

5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request

that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6. Approval of pre-administration costs

6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Disclosure of such costs must be included in the administrator's proposals and should follow the principles and standards set out in section 7.

6.2 Where there is a creditors' committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator's remuneration.

6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.

7. What information should be provided by the administrator?

7.1 When fixing bases of remuneration

7.1.1 When seeking agreement for the basis or bases of remuneration, the administrator should provide sufficient supporting information to enable the committee or the creditors to make an informed judgement as to whether the basis sought is appropriate having regard to all the circumstances of the case. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought. The appendix to this guide sets out a suggested format for the provision of information.

7.1.2 If any part of the remuneration is sought on a time costs basis, the administrator should provide details of the minimum time units used and current charge-out rates, split by grades of staff, of those people who have been or who are likely to be involved in the time costs aspects of the case.

7.1.3 The administrator should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

7.1.4 If work has already been carried out, the administrator should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved, sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case. Where the proposed charge is calculated on a time costs basis, the administrator should disclose the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. The administrator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

7.2 After the bases of remuneration have been fixed

The administrator is required to send progress reports to creditors at specified intervals (see paragraph 8.1 below). When reporting periodically to creditors, in addition to the matters specified in paragraph 8.1, the administrator should provide an explanation of what has been achieved in the period under review and how it was achieved, sufficient to enable the progress of the case to be assessed. Creditors should be able to understand whether the remuneration charged is reasonable in the circumstances of the case (whilst recognising that the administrator must fulfil certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate). Where any remuneration is on a time costs basis, the administrator should disclose the charge in respect of the period, the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable. The administrator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

7.3 Disbursements and other expenses

7.3.1 Costs met by and reimbursed to the administrator in connection with the administration should be appropriate and reasonable. Such costs will fall into two categories:

- **Category 1 disbursements** These are costs where there is specific expenditure directly referable both to the administration and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the administrator or his or her staff.
- **Category 2 disbursements** These are costs that are directly referable to the administration but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the administration on a proper and reasonable basis, for example, business mileage.

Category 1 disbursements can be drawn without prior approval, although the administrator should be prepared to disclose information about them in the same way as any other expenses. Category 2 disbursements may be drawn if they have been approved in the same manner as the administrator's remuneration. When seeking approval, the administrator should explain, for each category of expense, the basis on which the charge is being made.

7.3.2 The following are not permissible:

- a charge calculated as a percentage of remuneration,
- an administration fee or charge additional to the administrator's remuneration,
- recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

8 Progress reports and requests for further information

8.1 The administrator is required to send a progress report to creditors at 6-monthly intervals. The report must include:

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),

- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period,
- the date of approval of any pre-administration costs and the amount approved,
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the administrator's remuneration and expenses

8.2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court

8.3 The administrator must provide the requested information within 14 days, unless he considers that

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information

Any creditor may apply to the court within 21 days of the administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information

9. Provision of information – additional requirements

The administrator must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company

The information which must be provided is –

- the total number of hours spent on the case by the administrator or staff assigned to the case,
- for each grade of staff, the average hourly rate at which they are charged out,
- the number of hours spent by each grade of staff in the relevant period

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office

10 What if a creditor is dissatisfied?

101 If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court

102 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing

103 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration

11 What if the administrator is dissatisfied?

111 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration

12 Other matters relating to remuneration

121 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors

122 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

123 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made

124 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them

13. Effective date

This guide applies where a company enters administration on or after 1 November 2011

Appendix

Suggested format for the provision of information

Professional guidance issued to insolvency practitioners sets out the following suggested format for the provision of information when seeking approval of remuneration. However, the level of disclosure suggested below may not be appropriate in all cases, and will be subject to considerations of proportionality. In larger or more complex cases the circumstances of each case may dictate the information provided and its format.

Narrative overview of the case

In all cases, reports on remuneration should provide a narrative overview of the case. Matters relevant to an overview are:

- the complexity of the case,
- any exceptional responsibility falling on the administrator,
- the administrator's effectiveness,
- the value and nature of the property in question.

The information provided will depend upon the basis or bases being sought or reported upon, and the stage at which it is being provided. An overview might include:

- an explanation of the nature, and the administrator's own initial assessment, of the assignment (including the anticipated return to creditors) and the outcome (if known),
- initial views on how the assignment was to be handled, including decisions on staffing or subcontracting and the appointment of advisers,
- any significant aspects of the case, particularly those that affect the remuneration and cost expended,
- the reasons for subsequent changes in strategy,
- the steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, and fee drawing,
- any existing agreement about remuneration,
- details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees,
- in a larger case, particularly if it involved trading, considerations about staffing and managing the assignment and how strategy was set and reviewed,
- details of work undertaken during the period,
- any additional value brought to the estate during the period, for which the administrator wishes to claim increased remuneration.

Time cost basis

Where any part of the remuneration is or is proposed to be calculated on a time costs basis, requests for and reports on remuneration should provide:

- An explanation of the administrator's time charging policy, clearly stating the units of time that have been used, the grades of staff and rates that have been charged to the assignment, and the policy for recovering the cost of support staff. There is an expectation that time will be recorded in units of not greater than 6 minutes.
- A description of work carried out, which might include:
 - details of work undertaken during the period, related to the table of time spent for the period,
 - an explanation of the grades of staff used to undertake the different tasks carried out and the reasons why it was appropriate for those grades to be used,
 - any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- Time spent and charge-out summaries, in an appropriate format.

It is useful to provide time spent and charge-out value information in a tabular form for each of the time periods reported upon, with work classified (and sub-divided) in a way relevant to the circumstances of the case

The following areas of activity are suggested as a basis for the analysis of time spent

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The level of disclosure suggested above will not be appropriate in all cases, and considerations of proportionality will apply

- where cumulative time costs are, and are expected to be, less than £10,000 the administrator should, as a minimum, state the number of hours and average rate per hour and explain any unusual features of the case,
- where cumulative time costs are, or are expected to be, between £10,000 and £50,000, a time and charge-out summary similar to that shown above will usually provide the appropriate level of detail (subject to the explanation of any unusual features),
- where cumulative time costs exceed, or are expected to exceed, £50,000, further and more detailed analysis or explanation will be warranted

**ASTRA ACCESS SAFETY TRAINING LTD – IN ADMINISTRATION
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Appendix F

- Administrator's Pre-Appointment Time Costs to 27 February 2015**
- Administrator's Post Appointment Time Costs to 20 March 2015**

Time Entry - SIP9 Time & Cost Summary

AST001 - Astra Access Safety Training Ltd
Project Code PRE
To 27/02/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	18.80	18.50	0.00	0.20	37.50	7,385.50	196.95
Case Specific Matters	0.00	1.20	0.00	0.00	1.20	222.00	185.00
Creditors	0.00	2.20	0.00	0.00	2.20	407.00	185.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.50	0.00	0.00	0.50	92.50	185.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	18.80	22.40	0.00	0.20	41.40	8,107.00	195.82
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

AST001 - Astra Access Safety Training Ltd
Project Code POST
To 26/03/2015

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	2.60	11.00	0.80	2.10	16.50	2 846.50	172.52
Case Specific Matters	0.00	2.00	0.00	0.00	2.00	370.00	185.00
Creditors	4.50	18.90	2.30	0.00	25.70	4 752.00	184.90
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	2.50	0.00	0.00	2.50	462.50	185.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	7.10	34.40	3.10	2.10	48.70	8,431.00	180.54
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

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**Appendix G – Schedule of Office Holder's Disbursements and Normal
Charge-out Rates**

(i) to 31 March 2015

(ii) from 1 April 2015

PR BOOTH & CO – FEES & DISBURSEMENTS 2013/14

ADDITIONAL INFORMATION IN RELATION TO OFFICE HOLDER'S FEES PURSUANT TO THE PROVISIONS OF STATEMENT OF INSOLVENCY PRACTICE 9

A schedule of PR Booth & Co charge out rates effective from 01 July 2012 is as follows:-

Staff Grade	Rate/hour £
Insolvency Practitioner (appointment taking)	£ 210
Senior Manager	£ 185
Manager	£ 150
Senior Administrator	£ 135
Administrator	£ 100
Cashier/Support Staff	£ 75

The charge out rates are subject to periodic reviews and change

In cases of exceptional complexity, the insolvency practitioner reserves the right to obtain authority from the committee or the creditors that their remuneration shall be fixed as a percentage of the value of the assets, which are realised or distributed, or both

An analysis of time costs incurred will be provided to creditors under the following areas of activity.

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

Disbursements

There are two types of disbursements; direct disbursements (known as category one) and indirect disbursements (known as category two).

i) Category 1

Category one disbursements do not require approval by creditors. Typically, these include external supplies of incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel and external printing, room hire, insolvency bond and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Postage, external room hire and insolvency bond costs are charged out at the actual rate incurred.

ii) Category 2

Category two disbursements do require creditor approval and include elements of shared or allocated costs.

- Photocopying is charged at 15 pence per copy.
- Internal room hire is charged at £50 per hour (minimum charge £50, maximum charge £150).
- Mileage (charged at 40p per mile)

BOOTH & CO – FEES & DISBURSEMENTS 2015/16

ADDITIONAL INFORMATION IN RELATION TO OFFICE HOLDER'S FEES PURSUANT TO THE PROVISIONS OF STATEMENT OF INSOLVENCY PRACTICE 9

Please find outlined below a schedule of Booth & Co charge out rates -

<u>Staff Grade</u>	<u>Rate/Hour £</u> (From 01/04/15)	<u>Rate/Hour £</u> (01/07/12 to 31/03/15)
Insolvency Practitioner (appointment taking)	225-250	210
Senior Manager	195-210	185
Manager	160-175	150
Senior Administrator	140-155	135
Administrator	115-130	100
Cashier/Support	75-110	75

The charge out rates are subject to periodic reviews and change. The higher rates referred to above may be applied on more complex matters. If used, creditors will be informed accordingly.

In cases of exceptional complexity, the insolvency practitioner reserves the right to obtain authority from the committee or the creditors that their remuneration shall be fixed as a percentage of the value of the assets which are realised or distributed, or both.

An analysis of time costs incurred will be provided to creditors under the following areas of activity

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

Disbursements

There are two types of disbursements; direct disbursements (known as 'Category 1') and indirect disbursements (known as 'Category 2').

i) Category 1

Category one disbursements do not require approval by creditors. Typically, these include external supplies of incidental services specifically identifiable to the case, such as postage, advertising, invoiced travel and external printing, room hire, insolvency bond and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Postage, external room hire and insolvency bond costs are charged out at the actual rate incurred.

ii) Category 2

Category two disbursements do require creditor approval and include elements of shared or allocated costs.

- Photocopying is charged at 15p per copy.
- Internal room hire (only charged for meetings of members, creditors or a creditors' committee) is charged at £75 per hour (minimum charge £75; maximum charge £150).
- Mileage is charged at 45p per mile
- Internal books and records storage is charged at £6 per box per annum.

Insolvency Guide to Unsecured Creditors

The insolvency trade association, R3, has launched a website, www.creditorinsolvencyguide.co.uk for cases in England and Wales, which is a step-by-step guide to the insolvency process for unsecured creditors, particularly small businesses who are unfamiliar with the insolvency process.

It sets out in straightforward English how creditors can engage in the insolvency process and includes:

- how different insolvency procedures work,
- simple explanations of insolvency terminology,
- useful tips on how to help oversee the running of the insolvency case.

For additional information regarding the remuneration of insolvency practitioners, please use the link <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/england-wales> and click on 'SIP 9'

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Appendix H – Form 2.21B Creditors Request for Meeting

Rule 2 37

Creditor's request for a meeting

Name of Company

Astra Access Safety Training Ltd

Company number

06474184

In the
High Court of Justice, Leeds District Registry
(full name of court)Court case number
152 of 2015(a) Insert full name and
address of the creditor
making the request

I (a)

(b) Insert full name and
address of registered
office of the companyrequest a meeting of the creditors of (b)
Astra Access Safety Training Ltdc/o Booth & Co
Coopers House
Intake Lane
Ossett
WF5 0RG

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and
address(es) of creditors
concurring with the
request (if any) and their
claims in the
administration if the
requesting creditor's
claim
is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of
concurrence(e) Insert details of the
purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated