

The Insolvency Act 1986

**Statement of Administrator's
Proposals****2.17B**

Name of Company AC Garage Services Limited	Company Number 08068754
In the Exeter County Court <small>{full name of Court}</small>	Court Case Number 80 of 2015

(a) Insert full name(s)
and address(es)
of Administrator(s)
*Delete as applicable

We (a) Michelle Anne Weir of Lameys, One Courtenay Park, Newton Abbot, Devon, TQ12 2HD and Julie Anne Palmer of Begbies Traynor (Central) LLP, 65 St Edmunds Church Street, Salisbury, SP1 1EF 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) Insert date

(b) 11 August 2015

Signed 
JOINT ADMINISTRATOR

Dated

11-8-2015

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 searchers of the public record.

Lameys, One Courtenay Park, Newton Abbot,	
Devon, TQ12 2HD	
	Tel 01626 366117
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

SATURDAY



A21

A4DVAPWA
15/08/2015
COMPANIES HOUSE

#268

Date 11 August 2015

Your Ref

Our Ref MAW/SWH/AC1222/AC1223/AC1224/ADM/C1

Lameys
Strength in Numbers

PRIVATE & CONFIDENTIAL

One Courtenay Park
Newton Abbot
Devon TQ12 2HD

Telephone 01626 366117
Facsimile 01626 201196
www.lameys.co.uk
enquiries@lameys.co.uk

Dear Sir/Madam

AC LANDSCAPE AND TREE WORKS LIMITED - IN ADMINISTRATION ("Landscape")
AC TRAINING LIMITED - IN ADMINISTRATION ("Training")
AC GARAGE SERVICES LIMITED - IN ADMINISTRATION ("Garage")
Together referred to as "the Companies"

I write further to my appointment as joint administrator on 25 June 2015 with Julie Palmer of Begbies Traynor (Central) LLP. I hereby report to you on the progress of the Administrations and enclose our proposals pursuant to Paragraph 48 Schedule B1 of the Insolvency Act 1986.

The purpose of an administration is to achieve one of the following objectives -

- (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

For the reasons set out in the attached Report I am pursuing the second objective

Under Paragraph 62 of Schedule B1 of the Insolvency Act 1986 the Administrator has the power to call an initial Meeting of Creditors in order to present their proposals to creditors. Accordingly, attached with this letter are notices of creditors' meetings, together with a proxy forms for use at the meetings.

If you have any queries regarding the report, please do not hesitate to contact my office

Yours faithfully



MICHELLE WEIR
JOINT ADMINISTRATOR

Encs

**AUTHORISED
TRAINING
EMPLOYER**



Lameys is a member of The Insolvency Practitioners Association & Association of Business Recovery Professionals
All our Insolvency Practitioners are licensed to act in the United Kingdom by the Institute of Chartered Accountants
in England & Wales. When acting as Receiver or Administrator we contract without personal liability
Partners: S C Fenn, M A Weir



sage
Accountants
Club

**IN THE EXETER COUNTY COURT
CASE NUMBER 75 OF 2015**

**AC LANDSCAPE AND TREE WORKS LIMITED
(IN ADMINISTRATION)**

AND

**IN THE EXETER COUNTY COURT
CASE NUMBER 79 OF 2015**

**AC TRAINING LIMITED
(IN ADMINISTRATION)**

AND

**IN THE EXETER COUNTY COURT
CASE NUMBER 80 OF 2015**

**AC GARAGE SERVICES LIMITED
(IN ADMINISTRATION)**

**STATEMENT OF ADMINISTRATORS' PROPOSALS
PURSUANT TO RULE 2.33 OF THE INSOLVENCY RULES 1986**

**Michelle Anne Weir
Lameys
One Courtenay Park
Newton Abbot
Devon
TQ12 2HD**

**Julie Anne Palmer
Beggies Traynor (Central) LLP
65 St Edmunds Church Street
Salisbury
Wiltshire
SP1 1EF**

**AC LANDSCAPE AND TREE WORKS LIMITED
IN ADMINISTRATION
("Landscape")**

**AC TRAINING LIMITED
IN ADMINISTRATION
("Training")**

**AC GARAGE SERVICES LIMITED
IN ADMINISTRATION
("Garage")**

Together, hereinafter referred to as "the Companies"

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1. **Introduction and Statutory Information**

Julie Palmer and I were appointed joint administrators of the Companies on 25 June 2015 by the Directors of the Company. The administrations are registered in the Exeter County Court under the following reference numbers

75 of 2015 (Landscape)
79 of 2015 (Training)
80 of 2015 (Garage)

The Registered Office of the Companies is c/o Lameys, One Courtenay Park, Newton Abbot, Devon TQ12 2HD and their registered numbers are

06279951 (Landscape)
08029118 (Training)
08068754 (Garage)

The Companies were incorporated on the following dates

14 June 2007 (Landscape)
13 April 2012 (Training)
15 May 2012 (Garage)

The Companies Registered Office prior to the Administration the Registered Offices and main trading address was Tourism House, Woodwater Park, Pynes Hill, Exeter, EX2 5WS, with other trading addresses as follows

Unit 3 Broadway Road
Kingsteignton
Devon
TQ12 3PJ

Central Boulevard
Blythe Valley Business Park
Birmingham
B90 8AG

Details of the Company's officers and shareholding is set out below

Directors: Mr B C J Cockcroft (director of all of the Companies)
Mr S W Ablett (director of all of the Companies)
Mr S P Phillips (director of Training and Garage only)
Mr C P Lodge (director of Garage only)
Mr L N Saunders (director of Training only)

Mr Phillips resigned as a director of Landscape on 17 October 2014

Secretary. Mr B C J Cockcroft (secretary for Landscape only)
Training and Garage do not have a company secretary

Issued Share Capital:

Landscape
50 A ordinary shares of £1 each
50 B ordinary shares of £1 each

Training
100 ordinary shares of £1 each

Garage
100 ordinary shares of £1 each

Shareholders: Landscape

AC Group SW Limited holds
50 A ordinary shares of £1 each and
50 B ordinary shares of £1 each

Training

Mr B C J Cockcroft holds 50 ordinary shares of £1 each
Mr S W Ablett holds 30 ordinary shares of £1 each
Mr S P Phillips holds 20 ordinary shares of £1 each

Garage

AC Group SW Limited holds 100 ordinary shares of £1 each

2. Circumstances Giving Rise to the Appointment of the Administrator

The Companies are part of a group of companies which also includes the following companies

- AC Groundworks and Construction Limited ("ACGC")
- AC Group SW Limited ("ACG")
- AC Tree Works Limited ("ACTW")

Landscape provided large scale arboriculture works and landscape maintenance. A large proportion of its work relates to works on the motorway roadside.

Training provides training for employees of the other group companies and also external companies in the same sector.

Garage provides garage and motor services for other group companies and also external companies.

ACG provided management and other head office services to the other group companies.

ACGW was a construction company, operating primarily in the commercial sector.

Landscape was the first company (incorporated in 2007) and Training, Garage and ACG were acquired later to complement it, by providing services which it would, otherwise, outsource elsewhere. ACGC has been making losses. Although Landscape, Garage and Training are profitable the financial affairs of the Companies are very closely linked and the losses in ACGC have affected all the Companies. With the exception of ACTW which is dormant, the Companies are all insolvent.

The two companies in the group with the largest turnovers were Landscape and ACGC. Both Landscape and ACGC utilised an invoice discounting arrangement which was provided from Lloyds Bank Commercial Finance ("Lloyds CF").

The directors have stated the extent of the losses in ACGC were only recently identified. However, there are a significant number of finance agreements in place and a shortfall is anticipated on the invoice discounting arrangement for both Landscape and ACGC. There are cross guarantees in place for most of the finance agreements including the invoice discounting.

As a result of the close financial links between the group companies and cross guarantees, all of the non-dormant companies are liable for liabilities which cannot be paid and the directors made the decision the Companies would have to be placed into liquidation or administration.

The assets of the Companies were sold by the joint administrators immediately after their appointment in a pre-packaged administration sale.

During June 2015 the director's, Mr Cockcroft and Mr Ablett, expressed an interest and made an offer to purchase the assets and business of the Companies. Following advice from the appropriate agents, their offer was considered and it was concluded it was likely to be more than could be achieved through any other form of sale.

Notice of Intention to Appoint Administrators was filed in the Exeter County Court on the following dates:

Landscape	18 June 2015
Training	22 June 2015
Garage	22 June 2015

In the short period available prior to the appointment of administrators the business was marketed by Lambert Smith Hampton. No expressions of interest were received from any other party.

The initial notification of the administration was sent to creditors on 2 July 2015 including further details on the relating to the pre-packaged sale. I have enclosed another copy of these details as an appendix to this report.

ACGC and ACG were placed into creditors' voluntary liquidation on 2 July 2015 and 3 July 2015, respectively.

3. Purpose of the Administration

The purpose of an Administration Order is to achieve the following hierarchical objective -

- a) Rescuing the Company as a going concern,
- 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), and
- c) Realising property in order to make a distribution to one or more secured or preferential creditors.

In this case I am unable to achieve objective a) as the extent and nature of the Company's liabilities is such that no purchaser would be interested in acquiring the Company's shares and I am unable to propose a Company Voluntary Arrangement for creditors to consider.

I have therefore pursued the second objective, and for the reasons set out in this report believe that this objective will be achieved with a better result for Lloyds CF and the Companies' employees.

4. Progress of the Administration to Date

Attached as an appendix to this report are receipts and payments accounts for the Companies.

The manner in which the affairs and business of the Company has been managed since my appointment as Administrator and will continue to be managed and financed is set out below.

Sale of the Business

The assets and business of the Companies have been sold in a pre-packaged sale. Further details in relation to this sale are attached as an appendix to this report.

The total consideration was £75,600. An initial payment of £15,000 was received on completion and the balance is payable in monthly instalments from September 2015 to June 2016.

The purchaser was AC Landscape and Tree Works UK Limited ("Landscape UK") The directors, Mr B Cockcroft and Mr S Ablett, are also directors of Landscape UK However, the offer clearly maximised the realisations and Landscape UK has paid for goodwill which would not be possible if the Companies had been liquidated The consideration for goodwill is £5,000 in each of the Companies

The pre-packaged sale has other benefits, as detailed below

- Book debt collections are likely to be better because customers have not suffered the disruptions which unavoidably result from other insolvency procedures
- Employees have been transferred to Landscape UK Which means they are likely to retain their employment and won't have a claim in the administrations If the companies had been liquidated, the workforce would have been made redundant resulting in claims for unpaid wages, holiday pay, redundancy and pay in lieu of notice

Book Debts

All the book debts of Landscape are subject to an invoice discounting agreement with Lloyds CF Due to the nature of Landscape's trade, Lloyds CF have instructed quantity surveyors, Acasta consulting to collect the book debts

As at the date of the administration the book debt ledger due to Landscape was less than the balance outstanding to Lloyds CF There is no prospect of a surplus becoming available for the benefit of the administration

There are a few book debts outstanding and due to Garage and Training but these are not particularly material and are not expected to exceed £5,000 in total

Work in Progress

In addition to the book debt collections the sale of the business has enabled the collection of the work which Landscape completed during June 2015 The work in progress is subject to the invoice discounting agreement with Lloyds CF and will be paid over to Lloyds CF in due course All the work in progress has now been collected and no further realisations are anticipated

Additional Consideration

The pre-packaged sale includes a provision for Landscapes UK to pay an additional amount of consideration which will equate to 50 percent of the profits in excess of £100,000 in the first two years of trading

Plant and Equipment, Motor Vehicles, Office Furniture and Equipment and Stock

The physical assets of the Company were valued by Lambert Smith Hampton ("LSH") prior to the pre-packaged sale The assets and business was also marketed for sale for a short period by LSH Based on the valuation and the lack of responses to marketing, the consideration included in the pre-packaged sale will maximise the realisations A summary of the consideration is below

	<u>Landscape</u>	<u>Training</u>	<u>Garage</u>
Plant and Equipment	£31,600	N/A	£4,000
Fixtures and fittings	N/A	N/A	£2,000
Plant and Machinery	N/A	N/A	N/A
Motor Vehicles	£20,000	N/A	N/A
Stock	N/A	N/A	£3,000

Licence Fee

Landscapes UK has paid a licence fee to the Joint Administrators in relation to its occupation of the Companies leasehold premises. The Joint Administrators will remit this to the landlord.

Other group companies with liabilities and debts

The Companies records indicated liabilities between all group companies. The relevant debts are detailed in the summary in section 5.

However, no repayments are envisaged as all the group companies, with the exception of AC Tree Works Limited (which is dormant) are in liquidation or administration with no prospect of a dividend to unsecured creditors.

5 Statement of Affairs

In accordance with the provisions of the Insolvency Act 1986, one or more of the directors, or any other persons deemed appropriate, are required to submit to the administrator a statement of affairs of the Company.

At the date of writing the directors have not submitted a statement of affairs for any of the companies. In accordance with the provisions for reporting in such circumstances, a summary of the Companies' assets and liabilities as at 25 June 2015 is detailed below.

Landscape

	£
Assets	
Intangible fixed assets	502
Tangible fixed assets	77,984
Stock	30,000
Trade debtors	110,000
Work in progress	35,290
AC Training Limited	33,841
AC Group SW Limited	2,706
Other debtors	8,406
	<u>298,729</u>
Liabilities	
Trade creditors	99,318
Accruals and provisions	58,682
Lloyds Bank plc	10,000
Lloyds Commercial Finance	297,000
HM Revenue & Customs – VAT & PAYE	119,343
Hire purchase and leasing creditors	212,441
AC Groundworks & Construction Limited	61,122
AC Garage Services Limited	20,529
	<u>878,435</u>

Training

	£
Assets	
Tangible fixed assets	3,147
Lloyds Bank plc	674
Stock	200
Trade debtors	2,000
AC Garage Services Limited	1,305
AC Group SW Limited	56,067
	<u>63,393</u>

Liabilities

Trade creditors	9,095
Accruals and provisions	4,388
HM Revenue & Customs – VAT & PAYE	3,860
AC Landscape & Tree Works Limited	33,841
AC Groundworks & Construction Limited	28,200
	<u>79,384</u>

Garage

£

Assets

Tangible fixed assets	8,254
Stock	5,055
Trade debtors	2,000
Other debtors	1,328
	<u>16,637</u>

Liabilities

Trade creditors	10,630
Accruals and provisions	6,068
HM Revenue & Customs – VAT & PAYE	6,267
AC Landscape & Tree Works Limited	2,706
AC Training Limited	1,305
AC Groundworks & Construction Limited	31,656
AC Group SW Limited	25,906
	<u>84,538</u>

Also attached as an appendix to this report is a list of the Companies creditors including names, addresses and details of any security held. The list has been compiled from the Companies' records and claims and statements received by the Joint Administrators. Some creditor amounts shown in the list of creditors may differ from the actual amount owed and may not correspond to the balances illustrated above which were taken primarily from the Companies management accounts shortly prior to the administration. This does not affect their ability to claim for a differing amount.

6 Administrator's Remuneration

In accordance with Rule 2.106 of the Insolvency Rules 1986, it is proposed that the basis of our remuneration be fixed by reference to the time properly given by the joint administrators and their staff in attending to matters arising in the Administration.

In accordance with best practice guidance issued to insolvency practitioners, when seeking fee approval I am required to provide creditors with certain information and a guide to my fees which is attached as an appendix to this report. This guide should be read in conjunction with the note entitled 'A Creditors Guide to Administrators Fees' which is available to download at <http://tinyurl.com/bqoaopu> or upon request to this office.

An appendix giving details of the costs incurred from my appointment to date, by work category, is attached, in accordance with the relevant Statement of Insolvency Practice ("SIP9"). Time spent on the case is recorded in 6 minute units. To date, time costs, as follows have been incurred:

Landscape

Lameys - £9,333 (excluding VAT) have been incurred representing 47.5 hours at an average rate of £196.48 per hour.

Begbies Traynor - £205 (excluding VAT) have been incurred representing 1 hour at an average rate of £205.

Training

Lameys - £2,241 (excluding VAT) have been incurred representing 12.3 hours at an average rate of £182.2 per hour

Begbies Traynor - £205 (excluding VAT) have been incurred representing 1 hour at an average rate of £205 per hour

Garage

Lameys - £3,091 (excluding VAT) have been incurred representing 17.2 hours at an average rate of 179.71 per hour

Begbies Traynor - £205 (excluding VAT) have been incurred representing 1 hour at an average rate of £205 per hour

The time costs incurred to date have been primarily as a consequence of dealing with matters relating to the sale of the business and book debts, as stated in Section 4 above. Also, creditor enquiries, and the general administration of the case. I advise that the following activities have been undertaken

- = Necessary administration and planning of the administrations, including progress meetings, case reviews and general management
- = Assessing and deciding upon strategy for achievement of Administration purposes
- = Notification of appointments in accordance with statutory requirements and other statutory duties
- = Requesting relevant persons to submit statements of affairs
- = Liaising with Acasta quantity surveyors and Lloyds CF in relation to the book debts of Landscape
- = Liaising with Landscape UK regarding the requirements of the sale agreement
- = Dealing with employee issues
- = Liaising and dealing with calls and correspondence from creditors, including Crown Departments, former employees, and trade/expenses creditors
- = Correspondence with secured creditors

7. Dividend Prospects/Prescribed Part

Secured Creditors

Lloyds CF provided Landscape with an invoice discounting facility. In addition to the invoice discounting agreement, as security, Lloyds CF holds a debenture over the Company's assets created on 22 February 2011 incorporating fixed and floating charges. Lloyds CF also have personal guarantees from the directors, Mr Cockcroft, Mr Ablett and Mr Phillips, as well as a guarantee from ACGC. The value of the book debts due to Landscape is less than the liability to Lloyds CF and Lloyds CF is expected to suffer a shortfall.

Lloyds Bank PLC ("the Bank") provided Landscape with a £10,000 overdraft facility and an Enterprise Finance Guarantee Loan ("EFG Loan") of £85,000. As security the Bank holds a debenture over the Company's assets created on 14 January 2014 incorporating fixed and floating charges. The Bank also holds personal guarantees from the directors, Mr Cockcroft and Mr Ablett. The Bank is not expected to receive any return from the administration.

Training and Garage do not have any secured creditors.

Prescribed Part

Under the provisions of the Insolvency Act 1986, where there is a Qualifying Floating Charge, a prescribed part of the Company's net property (floating charge assets available after payment of preferential creditors) is to be made available for unsecured creditors

On the basis of Lloyds CF and the Bank suffering shortfalls under their floating charges over the asset of Landscapes, there will be no net property and therefore no requirement to calculate a Prescribed Part under the provisions of the Insolvency Act 1986

There is no requirement to calculate a Prescribed Part in accordance with the provisions of the Insolvency Act 1986 in relation to Training and Garage, as there is no creditor holding a valid floating charge over their assets

Preferential Creditors

There are no preferential creditors in this matter. Preferential creditors normally relate to claims from ex-employees for wages and holiday pay. However, all employees of the Companies have transferred to Landscapes UK as part of the pre-packaged sale.

Unsecured Creditors

A full list of creditors is attached as an appendix to this report.

Based on estimates at this stage, it is unlikely that there will be a distribution to unsecured creditors.

8. EC Regulation

The EC Regulations will apply as the Company's main centre of interest is in England. These proceedings will be main proceedings as defined in Article 3 of the EC Regulations.

9. Creditors' Meeting

I believe the Companies have insufficient property to enable a distribution to unsecured creditors. Therefore, in accordance with paragraph 52 of Schedule B1 to the Insolvency Act 1986 as amended, there is no requirement for me to convene an initial meeting of creditors in order to consider our proposals as Joint Administrators. However, I am convening such a meeting of creditors for Training and Garage. Formal notices of these meetings, which will take place at my offices on 28 August 2015, are enclosed.

A Creditor entitled to vote at the meeting may appoint a Proxy to vote in his or her place. A proxy holder need not be a creditor of the Company. Proxy forms should be completed, indicating your approval or rejection of my proposals as Administrator and your attendance or that of your representative at the meeting and returned to my offices.

The resolutions at the Meeting of Creditors may include a resolution specifying the terms under which the Administrator is to be remunerated.

If thought appropriate, creditors may also elect a Committee to assist the Administrator in the conduct of the Company affairs. The Committee would consist of a minimum of three and a maximum of five members.

A meeting of creditors will not be convened for Landscape. The proposals for Landscape will be considered by the secured creditors.

10. Ending The Administration

The options available to the Joint Administrators for the exit route from the Administration are as follows -

- Compulsory Winding Up
- Creditors Voluntary Liquidation
- Company Voluntary Arrangement
- Dissolution of the Company

Based on present information, we believe it is unlikely that there will be sufficient funds to allow a dividend to be paid to the unsecured creditors. In the circumstances the most appropriate exit route is that of dissolution of the Company. In this situation, a notice together with the Joint Administrators' final progress report will be filed at Court and with the Registrar of Companies for the dissolution of the Company. Copies of these documents will be sent to the Company and its creditors. The appointment of administrators will end following the registration of the notice by the Registrar of Companies.

11 Administrator's Proposals

- 11 1 It is proposed that the Joint Administrators continue to manage the affairs of the Company and do all such 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 Administration.
- 11 2 The negotiations and arrangements for the sale of the business was conducted prior to the appointment of administrators. As a result the purpose of the administration was achieved very quickly after the appointment. This means the level of work required by the administrators after appointment is greatly reduced. The main responsibility for the Joint Administrators (post-appointment) will, therefore, be in monitoring and ensuring compliance with the terms of the sale agreement.
- 11 3 If having realised the assets of the Company, the Joint Administrators believe that a distribution will be made to the unsecured creditors, they propose filing a notice with the Registrar of Companies which will have the effect of bringing of their appointment to an end and will move the Company automatically into Creditors' Voluntary Liquidation (CVL) in order that the distribution can be made. In these circumstances, it is proposed that Michelle Weir of Lameys and Julie Palmer of Begbies Traynor (Central) LLP the current Joint Administrators, will become the Joint Liquidators of the Creditors Voluntary Liquidation.
- 11 4 Creditors have the right to nominate an alternative Liquidator of their choice. To do this, creditors must make their nominations in writing to the Administrators prior to these proposals being approved. Where this occurs, the Administrators will advise creditors and provide an opportunity to vote. In the absence of a nomination, the Administrators will automatically become the Liquidators of the subsequent CVL.

As the Administrators do not have the power to make a distribution (without Court permission), a move into CVL will also allow the proposed Liquidator to make provisions for a potential dividend distribution to all proving creditors. Also, a Liquidator has greater investigatory powers than an Administrator with regard to looking into the Directors' conduct and dealing with the concerns which have been raised by creditors to date.

- 11 5 If the Administrators think that the Company has no property which might permit a distribution to its creditors they propose to file a notice with the Court and the Registrar of Companies for the dissolution of the Company. See the Section above on Ending The Administration for further information on this process.
- 11 6 It is proposed that the creditors consider establishing a Creditors' Committee and if any such Committee is formed it be authorised to sanction the basis of the Administrator's remuneration and any proposed act on the part of the Administrators without the need to report back to a further meeting of creditors generally, to include any decision regarding the most appropriate exit route from the Administration.
- 11 7 Where no Creditors' Committee is appointed, the remuneration of the Joint Administrators shall be fixed by reference to time properly spent by them and their staff in managing the Administration. These fees are to be paid at the Joint Administrators' discretion as and when funds are available.

- 11 8 Michelle Anne Weir of Lameys be reimbursed for business mileage incurred by her and her staff in dealing with the case at the rate of 45p per mile
- 11 9 Julie Anne Palmer of Begbies Traynor (Central) LLP be reimbursed for disbursements, including disbursements for services (defined as Category 2 disbursements in Statement of Insolvency Practice 9) in accordance with the firms policy, details of which are set out in an appendix which is attached to this report
- 11 10 The Joint Administrators be authorised to pay the pre appointment time costs of Lameys, totalling 10,000 plus VAT from the funds realised by the Joint Administrators
- 11 11 The Joint Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrator ceasing to have effect

12. Remuneration

It is proposed that the basis of the Joint Administrators' remuneration be fixed under Rule 2 106 of the Insolvency Rules 1986 by reference to the time properly given by her (as administrator) and the various grades of her staff calculated at the prevailing hourly rates in attending to matters arising in the administration

13. Pre Appointment Costs

In the period before the Companies entered administration, Lameys carried out work consisting of negotiations, meetings and administrative work in relation to the pre-packaged sale of the assets and the business ("the Work") The Work was carried out pursuant to an agreement made between Lameys and the Company entered into on 10 June 2015, which provides for the payment of Lameys fees and the discharge of expenses incurred ("the Pre-Administration Costs") in carrying out the Work

The Work was carried out before the Company entered administration because it was considered that the Work would further the achievement of the objective of administration being pursued, namely achieving a better result for the Companies' creditors as a whole than would be likely if the Company were wound up (without first being in administration) In this regard further information regarding the benefits and considerations given to the pre-packaged sale are detailed in earlier in this report in Section 2, Circumstances Giving Rise to the Appointment of an Administrator

The Pre-Administration Costs are as follows

Lameys' total time costs incurred in the period prior to appointment totals £15,485 However, Lameys' are only requesting fees be paid in the total sum of £10,000 plus VAT and expenses incurred are as follows

Description of Expense

Amount

Michelmores Solicitors

Provision of legal advice, preparation of appointment documents and drafting the pre-packaged sale agreement

£15,000 plus VAT and disbursements

(Michelmores time costs incurred pre-administration actually total £18,728 which exceeded the original estimate due to complications in the drafting However, Michelmores have agreed to limit their fees to their original estimate)

Lambert Smith Hampton

Estimation of the realisable amounts from the assets of the Company in forced sale and going concern scenarios Including consideration of hire purchase and other finance agreements

£5,500 plus VAT and disbursements

Also, coordinating the short period of marketing prior to the appointment of an Administrator and the sale of the business

The pre-administration costs detailed above are unpaid. The Joint Administrators are seeking that the costs be paid as an expense of the administration. Pursuant to Rule 2.67A of the Insolvency Rules 1986, approval to pay such 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 of creditors. Payment of the unpaid pre-administration costs requires separate approval and is not part of the proposals subject to approval pursuant to Paragraph 53 of Schedule B1 to the Act.

14. Other Matters

Finally, should any creditor have any information concerning the affairs of the Company that they would like to bring to my attention, I would be pleased to hear from them.

Dated 11 August 2015



MICHELLE ANNE WEIR
JOINT ADMINISTRATOR

**IN THE EXETER COUNTY COURT
CASE NUMBER 75 OF 2015**

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PURSUANT TO RULE 2.33 OF THE INSOLVENCY RULES 1986**

**Michelle Anne Weir
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SP1 1EF**

**AC LANDSCAPE AND TREE WORKS LIMITED
IN ADMINISTRATION
("Landscape")**

**AC TRAINING LIMITED
IN ADMINISTRATION
("Training")**

**AC GARAGE SERVICES LIMITED
IN ADMINISTRATION
("Garage")**

Together, hereinafter referred to as "the Companies"

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1 **Introduction and Statutory Information**

Julie Palmer and I were appointed joint administrators of the Companies on 25 June 2015 by the Directors of the Company. The administrations are registered in the Exeter County Court under the following reference numbers

75 of 2015 (Landscape)
79 of 2015 (Training)
80 of 2015 (Garage)

The Registered Office of the Companies is c/o Lameys, One Courtenay Park, Newton Abbot, Devon TQ12 2HD and their registered numbers are

06279951 (Landscape)
08029118 (Training)
08068754 (Garage)

The Companies were incorporated on the following dates

14 June 2007 (Landscape)
13 April 2012 (Training)
15 May 2012 (Garage)

The Companies Registered Office prior to the Administration the Registered Offices and main trading address was Tourism House, Woodwater Park, Pynes Hill, Exeter, EX2 5WS, with other trading addresses as follows

Unit 3 Broadway Road
Kingsteignton
Devon
TQ12 3PJ

Central Boulevard
Blythe Valley Business Park
Birmingham
B90 8AG

Details of the Company's officers and shareholding is set out below

Directors: Mr B C J Cockcroft (director of all of the Companies)
Mr S W Ablett (director of all of the Companies)
Mr S P Phillips (director of Training and Garage only)
Mr C P Lodge (director of Garage only)
Mr L N Saunders (director of Training only)

Mr Phillips resigned as a director of Landscape on 17 October 2014

Secretary: Mr B C J Cockcroft (secretary for Landscape only)
Training and Garage do not have a company secretary

Issued Share Capital

Landscape
50 A ordinary shares of £1 each
50 B ordinary shares of £1 each

Training
100 ordinary shares of £1 each

Garage
100 ordinary shares of £1 each

Shareholders: Landscape

AC Group SW Limited holds
50 A ordinary shares of £1 each and
50 B ordinary shares of £1 each

Training

Mr B C J Cockcroft holds 50 ordinary shares of £1 each
Mr S W Ablett holds 30 ordinary shares of £1 each
Mr S P Phillips holds 20 ordinary shares of £1 each

Garage

AC Group SW Limited holds 100 ordinary shares of £1 each

2. Circumstances Giving Rise to the Appointment of the Administrator

The Companies are part of a group of companies which also includes the following companies

- AC Groundworks and Construction Limited ("ACGC")
- AC Group SW Limited ("ACG")
- AC Tree Works Limited ("ACTW")

Landscape provided large scale arboriculture works and landscape maintenance. A large proportion of its work relates to works on the motorway roadside.

Training provides training for employees of the other group companies and also external companies in the same sector.

Garage provides garage and motor services for other group companies and also external companies.

ACG provided management and other head office services to the other group companies.

ACGW was a construction company, operating primarily in the commercial sector.

Landscape was the first company (incorporated in 2007) and Training, Garage and ACG were acquired later to complement it, by providing services which it would, otherwise, outsource elsewhere. ACGC has been making losses. Although Landscape, Garage and Training are profitable the financial affairs of the Companies are very closely linked and the losses in ACGC have affected all the Companies. With the exception of ACTW which is dormant, the Companies are all insolvent.

The two companies in the group with the largest turnovers were Landscape and ACGC. Both Landscape and ACGC utilised an invoice discounting arrangement which was provided from Lloyds Bank Commercial Finance ("Lloyds CF").

The directors have stated the extent of the losses in ACGC were only recently identified. However, there are a significant number of finance agreements in place and a shortfall is anticipated on the invoice discounting arrangement for both Landscape and ACGC. There are cross guarantees in place for most of the finance agreements including the invoice discounting.

As a result of the close financial links between the group companies and cross guarantees, all of the non-dormant companies are liable for liabilities which cannot be paid and the directors made the decision the Companies would have to be placed into liquidation or administration.

The assets of the Companies were sold by the joint administrators immediately after their appointment in a pre-packaged administration sale.

During June 2015 the director's, Mr Cockcroft and Mr Ablett, expressed an interest and made an offer to purchase the assets and business of the Companies. Following advice from the appropriate agents, their offer was considered and it was concluded it was likely to be more than could be achieved through any other form of sale.

Notice of Intention to Appoint Administrators was filed in the Exeter County Court on the following dates:

Landscape	18 June 2015
Training	22 June 2015
Garage	22 June 2015

In the short period available prior to the appointment of administrators the business was marketed by Lambert Smith Hampton. No expressions of interest were received from any other party.

The initial notification of the administration was sent to creditors on 2 July 2015 including further details on the relating to the pre-packaged sale. I have enclosed another copy of these details as an appendix to this report.

ACGC and ACG were placed into creditors' voluntary liquidation on 2 July 2015 and 3 July 2015, respectively.

3 Purpose of the Administration

The purpose of an Administration Order is to achieve the following hierarchical objective -

- a) Rescuing the Company as a going concern,
- 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), and
- c) Realising property in order to make a distribution to one or more secured or preferential creditors.

In this case I am unable to achieve objective a) as the extent and nature of the Company's liabilities is such that no purchaser would be interested in acquiring the Company's shares and I am unable to propose a Company Voluntary Arrangement for creditors to consider.

I have therefore pursued the second objective, and for the reasons set out in this report believe that this objective will be achieved with a better result for Lloyds CF and the Companies' employees.

4 Progress of the Administration to Date

Attached as an appendix to this report are receipts and payments accounts for the Companies.

The manner in which the affairs and business of the Company has been managed since my appointment as Administrator and will continue to be managed and financed is set out below.

Sale of the Business

The assets and business of the Companies have been sold in a pre-packaged sale. Further details in relation to this sale are attached as an appendix to this report.

The total consideration was £75,600. An initial payment of £15,000 was received on completion and the balance is payable in monthly instalments from September 2015 to June 2016.

The purchaser was AC Landscape and Tree Works UK Limited ("Landscape UK") The directors, Mr B Cockcroft and Mr S Ablett, are also directors of Landscape UK However, the offer clearly maximised the realisations and Landscape UK has paid for goodwill which would not be possible if the Companies had been liquidated The consideration for goodwill is £5,000 in each of the Companies

The pre-packaged sale has other benefits, as detailed below

- Book debt collections are likely to be better because customers have not suffered the disruptions which unavoidably result from other insolvency procedures
- Employees have been transferred to Landscape UK Which means they are likely to retain their employment and won't have a claim in the administrations If the companies had been liquidated, the workforce would have been made redundant resulting in claims for unpaid wages, holiday pay, redundancy and pay in lieu of notice

Book Debts

All the book debts of Landscape are subject to an invoice discounting agreement with Lloyds CF Due to the nature of Landscape's trade, Lloyds CF have instructed quantity surveyors, Acasta consulting to collect the book debts

As at the date of the administration the book debt ledger due to Landscape was less than the balance outstanding to Lloyds CF There is no prospect of a surplus becoming available for the benefit of the administration

There are a few book debts outstanding and due to Garage and Training but these are not particularly material and are not expected to exceed £5,000 in total

Work in Progress

In addition to the book debt collections the sale of the business has enabled the collection of the work which Landscape completed during June 2015 The work in progress is subject to the invoice discounting agreement with Lloyds CF and will be paid over to Lloyds CF in due course All the work in progress has now been collected and no further realisations are anticipated

Additional Consideration

The pre-packaged sale includes a provision for Landscapes UK to pay an additional amount of consideration which will equate to 50 percent of the profits in excess of £100,000 in the first two years of trading

Plant and Equipment, Motor Vehicles, Office Furniture and Equipment and Stock

The physical assets of the Company were valued by Lambert Smith Hampton ("LSH") prior to the pre-packaged sale The assets and business was also marketed for sale for a short period by LSH Based on the valuation and the lack of responses to marketing, the consideration included in the pre-packaged sale will maximise the realisations A summary of the consideration is below

	<u>Landscape</u>	<u>Training</u>	<u>Garage</u>
Plant and Equipment	£31,600	N/A	£4,000
Fixtures and fittings	N/A	N/A	£2,000
Plant and Machinery	N/A	N/A	N/A
Motor Vehicles	£20,000	N/A	N/A
Stock	N/A	N/A	£3,000

Licence Fee

Landscapes UK has paid a licence fee to the Joint Administrators in relation to its occupation of the Companies leasehold premises. The Joint Administrators will remit this to the landlord.

Other group companies with liabilities and debts

The Companies records indicated liabilities between all group companies. The relevant debts are detailed in the summary in section 5.

However, no repayments are envisaged as all the group companies, with the exception of AC Tree Works Limited (which is dormant) are in liquidation or administration with no prospect of a dividend to unsecured creditors.

5. Statement of Affairs

In accordance with the provisions of the Insolvency Act 1986, one or more of the directors, or any other persons deemed appropriate, are required to submit to the administrator a statement of affairs of the Company.

At the date of writing the directors have not submitted a statement of affairs for any of the companies. In accordance with the provisions for reporting in such circumstances, a summary of the Companies' assets and liabilities as at 25 June 2015 is detailed below.

Landscape

	£
Assets	
Intangible fixed assets	502
Tangible fixed assets	77,984
Stock	30,000
Trade debtors	110,000
Work in progress	35,290
AC Training Limited	33,841
AC Group SW Limited	2,706
Other debtors	8,406
	<u>298,729</u>
Liabilities	
Trade creditors	99,318
Accruals and provisions	58,682
Lloyds Bank plc	10,000
Lloyds Commercial Finance	297,000
HM Revenue & Customs – VAT & PAYE	119,343
Hire purchase and leasing creditors	212,441
AC Groundworks & Construction Limited	61,122
AC Garage Services Limited	20,529
	<u>878,435</u>

Training

	£
Assets	
Tangible fixed assets	3,147
Lloyds Bank plc	674
Stock	200
Trade debtors	2,000
AC Garage Services Limited	1,305
AC Group SW Limited	56,067
	<u>63,393</u>

Liabilities

Trade creditors	9,095
Accruals and provisions	4,388
HM Revenue & Customs – VAT & PAYE	3,860
AC Landscape & Tree Works Limited	33,841
AC Groundworks & Construction Limited	28,200
	<u>79,384</u>

Garage

£

Assets

Tangible fixed assets	8,254
Stock	5,055
Trade debtors	2,000
Other debtors	1,328
	<u>16,637</u>

Liabilities

Trade creditors	10,630
Accruals and provisions	6,068
HM Revenue & Customs – VAT & PAYE	6,267
AC Landscape & Tree Works Limited	2,706
AC Training Limited	1,305
AC Groundworks & Construction Limited	31,656
AC Group SW Limited	25,906
	<u>84,538</u>

Also attached as an appendix to this report is a list of the Companies creditors including names, addresses and details of any security held. The list has been compiled from the Companies' records and claims and statements received by the Joint Administrators. Some creditor amounts shown in the list of creditors may differ from the actual amount owed and may not correspond to the balances illustrated above which were taken primarily from the Companies management accounts shortly prior to the administration. This does not affect their ability to claim for a differing amount.

6. Administrator's Remuneration

In accordance with Rule 2 106 of the Insolvency Rules 1986, it is proposed that the basis of our remuneration be fixed by reference to the time properly given by the joint administrators and their staff in attending to matters arising in the Administration.

In accordance with best practice guidance issued to insolvency practitioners, when seeking fee approval I am required to provide creditors with certain information and a guide to my fees which is attached as an appendix to this report. This guide should be read in conjunction with the note entitled 'A Creditors Guide to Administrators Fees' which is available to download at <http://tinyurl.com/bqoaopu> or upon request to this office.

An appendix giving details of the costs incurred from my appointment to date, by work category, is attached, in accordance with the relevant Statement of Insolvency Practice ("SIP9"). Time spent on the case is recorded in 6 minute units. To date, time costs, as follows have been incurred:

Landscape

Lameys - £9,333 (excluding VAT) have been incurred representing 47.5 hours at an average rate of £196.48 per hour.

Begbies Traynor - £205 (excluding VAT) have been incurred representing 1 hour at an average rate of £205.

Training

Lameys - £2,241 (excluding VAT) have been incurred representing 12.3 hours at an average rate of £182.2 per hour

Begbies Traynor - £205 (excluding VAT) have been incurred representing 1 hour at an average rate of £205 per hour

Garage

Lameys - £3,091 (excluding VAT) have been incurred representing 17.2 hours at an average rate of £179.71 per hour

Begbies Traynor - £205 (excluding VAT) have been incurred representing 1 hour at an average rate of £205 per hour

The time costs incurred to date have been primarily as a consequence of dealing with matters relating to the sale of the business and book debts, as stated in Section 4 above. Also, creditor enquiries, and the general administration of the case. I advise that the following activities have been undertaken

- = Necessary administration and planning of the administrations, including progress meetings, case reviews and general management
- = Assessing and deciding upon strategy for achievement of Administration purposes
- = Notification of appointments in accordance with statutory requirements and other statutory duties
- = Requesting relevant persons to submit statements of affairs
- = Liaising with Acasta quantity surveyors and Lloyds CF in relation to the book debts of Landscape
- = Liaising with Landscape UK regarding the requirements of the sale agreement
- = Dealing with employee issues
- = Liaising and dealing with calls and correspondence from creditors, including Crown Departments, former employees, and trade/expenses creditors
- = Correspondence with secured creditors

7 Dividend Prospects/Prescribed Part

Secured Creditors

Lloyds CF provided Landscape with an invoice discounting facility. In addition to the invoice discounting agreement, as security, Lloyds CF holds a debenture over the Company's assets created on 22 February 2011 incorporating fixed and floating charges. Lloyds CF also have personal guarantees from the directors, Mr Cockcroft, Mr Ablett and Mr Phillips, as well as a guarantee from ACGC. The value of the book debts due to Landscape is less than the liability to Lloyds CF and Lloyds CF is expected to suffer a shortfall.

Lloyds Bank PLC ("the Bank") provided Landscape with a £10,000 overdraft facility and an Enterprise Finance Guarantee Loan ("EFG Loan") of £85,000. As security the Bank holds a debenture over the Company's assets created on 14 January 2014 incorporating fixed and floating charges. The Bank also holds personal guarantees from the directors, Mr Cockcroft and Mr Ablett. The Bank is not expected to receive any return from the administration.

Training and Garage do not have any secured creditors

Prescribed Part

Under the provisions of the Insolvency Act 1986, where there is a Qualifying Floating Charge, a prescribed part of the Company's net property (floating charge assets available after payment of preferential creditors) is to be made available for unsecured creditors

On the basis of Lloyds CF and the Bank suffering shortfalls under their floating charges over the asset of Landscapes, there will be no net property and therefore no requirement to calculate a Prescribed Part under the provisions of the Insolvency Act 1986

There is no requirement to calculate a Prescribed Part in accordance with the provisions of the Insolvency Act 1986 in relation to Training and Garage, as there is no creditor holding a valid floating charge over their assets

Preferential Creditors

There are no preferential creditors in this matter. Preferential creditors normally relate to claims from ex-employees for wages and holiday pay. However, all employees of the Companies have transferred to Landscapes UK as part of the pre-packaged sale.

Unsecured Creditors

A full list of creditors is attached as an appendix to this report.

Based on estimates at this stage, it is unlikely that there will be a distribution to unsecured creditors.

8 EC Regulation

The EC Regulations will apply as the Company's main centre of interest is in England. These proceedings will be main proceedings as defined in Article 3 of the EC Regulations.

9. Creditors' Meeting

I believe the Companies have insufficient property to enable a distribution to unsecured creditors. Therefore, in accordance with paragraph 52 of Schedule B1 to the Insolvency Act 1986 as amended, there is no requirement for me to convene an initial meeting of creditors in order to consider our proposals as Joint Administrators. However, I am convening such a meeting of creditors for Training and Garage. Formal notices of these meetings, which will take place at my offices on 28 August 2015, are enclosed.

A Creditor entitled to vote at the meeting may appoint a Proxy to vote in his or her place. A proxy holder need not be a creditor of the Company. Proxy forms should be completed, indicating your approval or rejection of my proposals as Administrator and your attendance or that of your representative at the meeting and returned to my offices.

The resolutions at the Meeting of Creditors may include a resolution specifying the terms under which the Administrator is to be remunerated.

If thought appropriate, creditors may also elect a Committee to assist the Administrator in the conduct of the Company affairs. The Committee would consist of a minimum of three and a maximum of five members.

A meeting of creditors will not be convened for Landscape. The proposals for Landscape will be considered by the secured creditors.

10. Ending The Administration

The options available to the Joint Administrators for the exit route from the Administration are as follows -

- Compulsory Winding Up
- Creditors Voluntary Liquidation
- Company Voluntary Arrangement
- Dissolution of the Company

Based on present information, we believe it is unlikely that there will be sufficient funds to allow a dividend to be paid to the unsecured creditors. In the circumstances the most appropriate exit route is that of dissolution of the Company. In this situation, a notice together with the Joint Administrators' final progress report will be filed at Court and with the Registrar of Companies for the dissolution of the Company. Copies of these documents will be sent to the Company and its creditors. The appointment of administrators will end following the registration of the notice by the Registrar of Companies.

11. Administrator's Proposals

- 11.1 It is proposed that the Joint Administrators continue to manage the affairs of the Company and do all such 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 Administration.
- 11.2 The negotiations and arrangements for the sale of the business was conducted prior to the appointment of administrators. As a result the purpose of the administration was achieved very quickly after the appointment. This means the level of work required by the administrators after appointment is greatly reduced. The main responsibility for the Joint Administrators (post-appointment) will, therefore, be in monitoring and ensuring compliance with the terms of the sale agreement.
- 11.3 If having realised the assets of the Company, the Joint Administrators believe that a distribution will be made to the unsecured creditors, they propose filing a notice with the Registrar of Companies which will have the effect of bringing of their appointment to an end and will move the Company automatically into Creditors' Voluntary Liquidation (CVL) in order that the distribution can be made. In these circumstances, it is proposed that Michelle Weir of Lameys and Julie Palmer of Begbies Traynor (Central) LLP the current Joint Administrators, will become the Joint Liquidators of the Creditors Voluntary Liquidation.
- 11.4 Creditors have the right to nominate an alternative Liquidator of their choice. To do this, creditors must make their nominations in writing to the Administrators prior to these proposals being approved. Where this occurs, the Administrators will advise creditors and provide an opportunity to vote. In the absence of a nomination, the Administrators will automatically become the Liquidators of the subsequent CVL.

As the Administrators do not have the power to make a distribution (without Court permission), a move into CVL will also allow the proposed Liquidator to make provisions for a potential dividend distribution to all proving creditors. Also, a Liquidator has greater investigatory powers than an Administrator with regard to looking into the Directors' conduct and dealing with the concerns which have been raised by creditors to date.

- 11.5 If the Administrators think that the Company has no property which might permit a distribution to its creditors they propose to file a notice with the Court and the Registrar of Companies for the dissolution of the Company. See the Section above on Ending The Administration for further information on this process.
- 11.6 It is proposed that the creditors consider establishing a Creditors' Committee and if any such Committee is formed it be authorised to sanction the basis of the Administrator's remuneration and any proposed act on the part of the Administrators without the need to report back to a further meeting of creditors generally, to include any decision regarding the most appropriate exit route from the Administration.
- 11.7 Where no Creditors' Committee is appointed, the remuneration of the Joint Administrators shall be fixed by reference to time properly spent by them and their staff in managing the Administration—These fees are to be paid at the Joint Administrators' discretion as and when funds are available.

- 11 8 Michelle Anne Weir of Lameys be reimbursed for business mileage incurred by her and her staff in dealing with the case at the rate of 45p per mile
- 11 9 Julie Anne Palmer of Begbies Traynor (Central) LLP be reimbursed for disbursements, including disbursements for services (defined as Category 2 disbursements in Statement of Insolvency Practice 9) in accordance with the firms policy, details of which are set out in an appendix which is attached to this report
- 11 10 The Joint Administrators be authorised to pay the pre appointment time costs of Lameys, totalling 10,000 plus VAT from the funds realised by the Joint Administrators
- 11 11 The Joint Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrator ceasing to have effect

12. Remuneration

It is proposed that the basis of the Joint Administrators' remuneration be fixed under Rule 2 106 of the Insolvency Rules 1986 by reference to the time properly given by her (as administrator) and the various grades of her staff calculated at the prevailing hourly rates in attending to matters arising in the administration

13. Pre Appointment Costs

In the period before the Companies entered administration, Lameys carried out work consisting of negotiations, meetings and administrative work in relation to the pre-packaged sale of the assets and the business ("the Work") The Work was carried out pursuant to an agreement made between Lameys and the Company entered into on 10 June 2015, which provides for the payment of Lameys fees and the discharge of expenses incurred ("the Pre-Administration Costs") in carrying out the Work

The Work was carried out before the Company entered administration because it was considered that the Work would further the achievement of the objective of administration being pursued, namely achieving a better result for the Companies' creditors as a whole than would be likely if the Company were wound up (without first being in administration) In this regard further information regarding the benefits and considerations given to the pre-packaged sale are detailed in earlier in this report in Section 2, Circumstances Giving Rise to the Appointment of an Administrator

The Pre-Administration Costs are as follows

Lameys' total time costs incurred in the period prior to appointment totals £15,485 However, Lameys' are only requesting fees be paid in the total sum of £10,000 plus VAT and expenses incurred are as follows

Description of Expense

Amount

Michelmores Solicitors

Provision of legal advice, preparation of appointment documents and drafting the pre-packaged sale agreement

£15,000 plus VAT and disbursements

(Michelmores time costs incurred pre-administration actually total £18,728 which exceeded the original estimate due to complications in the drafting However, Michelmores have agreed to limit their fees to their original estimate)

Lambert Smith Hampton

Estimation of the realisable amounts from the assets of the Company in forced sale and going concern scenarios Including consideration of hire purchase and other finance agreements

£5,500 plus VAT and disbursements

Also, coordinating the short period of marketing prior to the appointment of an Administrator and the sale of the business

The pre-administration costs detailed above are unpaid. The Joint Administrators are seeking that the costs be paid as an expense of the administration. Pursuant to Rule 2.67A of the Insolvency Rules 1986, approval to pay such 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 of creditors. Payment of the unpaid pre-administration costs requires separate approval and is not part of the proposals subject to approval pursuant to Paragraph 53 of Schedule B1 to the Act.

14. Other Matters

Finally, should any creditor have any information concerning the affairs of the Company that they would like to bring to my attention, I would be pleased to hear from them.

Dated 11 August 2015



**MICHELLE ANNE WEIR
JOINT ADMINISTRATOR**

AC LANDSCAPE & TREE WORKS LIMITED COMPANY CREDITORS

Note You must identify creditors under hire purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods and creditors claiming retention of title over property in the company's possession

<i>Creditor Name</i>	<i>Address</i>	<i>City</i>	<i>Postal Code</i>	<i>Amount</i>	<i>Reference</i>
AC Garage Services Limited	3 Broadway Road Kingsteignton	Newton Abbot	TQ12 3PJ	£192 06	
Alere Healthcare Connections Limited	Nashleigh Court 188 Severalls Avenue	Chesham	HP5 3EN	£1,359 14 A141	
Almy & Thomas Solicitors	71 Abbey Road	Torquay	TQ2 5NL	£486 00	
AndersElite	Enterprise House Ocean Village	Southampton	SO14 3XB	£6,168 00	
Associated Utility Supplies Limited	Unit 1 Dearne Park Industrial Estate Park Mill Way	Huddersfield	HD8 9XJ	£84 78	
Avalon Assessments Limited	Silver Street Wrington	Bristol	BS40 5QL	£302 00	
BNP Paribas Leasing Solutions	Collections Northern Cross Basing View	Basingstoke	RG21 4HL	£0 00	
Brandon Tool Hire,	72-75 Feeder Road St Phillips	Bristol	BS2 0TQ	£4,447 22 A1090146	
Caldo Oils Limited	Rapier Court Sabre Close Heathfield Industrial Estate	Newton Abbot	TQ12 6TW	£217 50	
CDI Anders Elite	The Credit Protection Association CPA House 350 King Street	London	W6 0RX	£6,168 00 MA001065	
Certas Energy	Shelling House Glenbervie Business Park	Larbert	FK5 4RB	£1,238 68 8498701	
Chas 2013 Limited	Civic Centre London Road	Morden	SM4 5DX	£148 80	
Dawson Tyre Services Limited	Imex Business Centre Oxleasow Road	Redditch	B98 0RE	£1,193 40	
Dovetail Facilities Services Limited	4 Philmont Court Manhattan Way	Conventry	CV4 9BF	£1,776 00	
E Bowden & Sons	Little Wood Old Newton Road	Bovey Tracey	TQ13 9DT	£3,316 53	
EE	Unit 1-4 Trident Place Mosquito Way	Hatfield	AL10 9BW	£1,394 99 112707277	
Fire Cover Limited	3 Park Road Princes Risborough	Buckinghamshire	HP27 9AH	£282 00	
G R Lewis Arboricultural	2 Applewood Close West Felton	Oswestry	SY11 4RD	£700 00	
Global Sales	Global House 48 Warstock Road Kings Heath	Birmingham	B14 4RS	£1,578 00	

Signed _____ Date _____

AC LANDSCAPE & TREE WORKS LIMITED COMPANY CREDITORS

Note You must identify creditors under hire purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods and creditors claiming retention of title over property in the company's possession

<i>Creditor Name</i>	<i>Address</i>	<i>City</i>	<i>Postal Code</i>	<i>Amount</i>	<i>Reference</i>
Greenham Trading Limited	671 London Road	Isleworth	TW7 4EX	£455 76	A047879
HM Revenue & Customs	J Glancy DMB 440		BXS 5AB	£14,324 48 070 P C	00173936
HM Revenue & Customs	ICHU Benton Park View Longbenton	Newcastle upon Tyne	NE98 1ZZ	£0 00 934 5043 34	
HM Revenue & Customs - PAYE				£1,988 61 032 B	934504334
Honey Brothers Limited	New Pond Road Peasmarsh	Guildford	GU3 1JR	£9,795 73	602115
Inkost Limited Via Scribble & Ink	Unit 7, Signal Buildings Brunel Road	Newton Abbot	TQ12 4FD	£223 79	ACL004
Investec Asset Finance Plc	Reading International Business Park	Reading	RG2 6AA	£426 20	213252796
Iwoca Limited	39-45 Shatesbury Avenue	London	W1D 6LA	£17,541 32	FB4VL6RMES959
James Mason Limited	Rixey Park Kingsteignton Road	Chudleigh	TQ13 0BY	£1,800 00	
LDF Finance No 1 Limited	Dee House St David's Park	Flintshire	CH5 3XF	£0 00 LDF	1006459
Lombard	Customer Relations Team PO Box 520	Rotherham	S63 3BR	£636 82	
Mole Valley Farmers	Exmoor House Lime Way Pathfields Business Park	South Molton	EX36 3LH	£706 42	A1908
Morgans Machinery Limited	Mayes-y-Clawdd	Oswestry	SY10 8NN	£181 78	
Morris Leslie Plant Hire Limited	53 Valley Road	Plympton	PL7 1RF	£216 00	POGWO15/B
National Windscreens	Silicia House Galena Close	Tarnworth	B77 4AS	£1,009 57	
Orange Plant	Express Works Brunswick Industrial Estate	Newcastle upon Tyne	NE13 7BA	£5,508 35	
Pace Fuelcare Limited	Hanover House 18 The Avenue	Egham	TW20 9AB	£1,238 69	
Phoenix Tools	Unit 1 Sandygate Business Park Strap Lane	Newton Abbot	TQ12 3XF	£957 38	
Pitney Bowes Limited	Building 5, Trident Place Mosquito Way	Hatfield	AL70 8JU	£87 39 6335 0520	3028 3590
Pump-a-lou	55 Milestone Close South Darenth	Dartford	DA4 9BJ	£48 00	

Signed

Date

Note You must identify creditors under hire purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods and creditors claiming retention of title over property in the company's possession

Date _____

AC LANDSCAPE & TREE WORKS LIMITED
COMPANY CREDITORS

Note You must identify creditors under hire purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods and creditors claiming retention of title over property in the company's possession

<i>Creditor Name</i>	<i>Address</i>	<i>City</i>	<i>Postal Code</i>	<i>Amount</i>	<i>Reference</i>
Truckshop Group	9 Brook Street	Redditch	B98 8NG	£90 00	
Tudor Environmental	1 Falkland Close	Coventry	CV4 8AU	£12,131 32	ACL001
Western Towing	Unit A1 Kingsleighton Trading Estate	Newton Abbot	TQ12 3BN	£25 89	
Wireless Logic Limited	Grosvenor House Horsehoe Crescent	Beaconsfield	HP9 1LJ	£38 40	
WQS Limited	25 St Stephens Hill	Launceston	PL15 8HP	£1,350 00	
Yoyo Clothing Designs Limited	Unit 12 March Lane Industrial Estate	Hayle	TR27 5JR	£1,452 48	
<i>Total</i>				£140,754 86	

Signed _____ Date _____

AC TRAINING LIMITED COMPANY CREDITORS

Note You must identify creditors under hire purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods and creditors claiming retention of title over property in the company's possession

Creditor Name	Address	City	Postal Code	Amount	Reference
AC Garage Services Limited	3 Broadway Road	Kingsteignton	TQ12 3PJ	£278 37	
Association of First Aiders	24 Thomas Drive	Newport Pagnell	MK16 8TH	£96 00	
Avalon Assessments	Rybrook Silver Street	Wrrington	BS40 5QL	£6,958 00	
British Association of Landscape Industries	Landscape House 6th Street	Stoneleigh Park	CV8 2LG	£514 80	
HM Revenue & Customs	ICHU Benton Park View	Longbeniton	NE98 1ZZ	£0 00 162 8244 09	
HM Revenue & Customs - VAT				£3,168 03 162824409	
HPTC Hampshire IOW Limited	c/o Sparsholt College	Winchester	SO21 2NF	£440 00	
Quality Safety Training Limited	Basepoint Yeoford Way	Marsh Barton	EX2 8LB	£240 00	
Sheerspeed Shelters Limited	Unit 3, Diamond House Reme Drive	Heath Park Industrial Estate	EX14 1SE	£1 368 00	
			Total	£13,063 20	

Signed

Date

AC GARAGE SERVICES LIMITED COMPANY CREDITORS

Note You must identify creditors under hire purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods and creditors claiming retention of title over property in the company's possession

<i>Creditor Name</i>	<i>Address</i>	<i>City</i>	<i>Postal Code</i>	<i>Amount</i>	<i>Reference</i>
AGC Aircon	Bern Vindo	Newton Abbot	TQ13 0EU	£120 00	
Barum Auto Parts Limited	Unit 3, International House Battle Road Heathfield Industrial Estate	Newton Abbot	TQ12 6RY	£998 46	
BB Van Hire	4 Cannon Road Heathfield Industrial Estate	Newton Abbot	TQ12 6SH	£70 00	
Bond International	Courtlands Parklands Avenue	Goring	BN12 4NG	£1,521 35	
Bristol Street Motors	Vertu House Fifth Avenue Business Park Team Valley	Gateshead	NE11 0XA	£672 84	
Buyrite Tyres	Unit 2, Brunel Buildings Brunel Road	Newton Abbot	TQ12 4PB	£10 00	
Chancery Chair Covers	Eskdale Road	Uxbridge	UB8 2RT	£1 79	
Clothing Express Limited	4 Central Depot	Harrow	HA3 8NT	£567 56	
Devon Matters	8 St Pauls Close	Bovey Tracey	TQ13 9JP	£1,650 38	
E Bowden & Sons	Little Woodland Old Newton Road	Bovey Tracey	TQ13 9DT	£152 06	
Eden Exeter	8 Marsh Barton Road	Exeter	EX2 8LW	£101 61	
Euro Car Parts	166 Teignmouth Road	Torquay	TQ1 4RY	£7,895 50	
Exeter TPS	Exeter Trade Centre Silvertown Road	Exeter	EX2 8LD	£391 77	
Forte Lubricants	7 Westwood House Westwood Business Park Westwood Way	Coventry	CV4 8HS	£703 32	
Gleave Media	Unit 5, Clyst Units Marsh Barton	Exeter	EX2 8QW	£275 00	
HM Revenue & Customs	ICLU Benton Park View Longbenton	Newcastle upon Tyne	NE98 1ZZ	£0 00 137 2535 19	
Holt JCB Limited	21 Hennock Road	Exeter	EX2 8RU	£1,039 33	
JFE Exeter	Grace Road Marsh Barton	Exeter	EX2 8PU	£136 43	
Lloyds Bank Plc	Cardnet Merchant Services Janus House Endeavour Drive	Basildon	SS14 3WF	£451 91 5404 3650 4837 592	
Signed					Date

**AC GARAGE SERVICES LIMITED
COMPANY CREDITORS**

Note You must identify creditors under hire purchase, chattel leasing or conditional sale agreements and customers claiming amounts paid in advance of the supply of goods and creditors claiming retention of title over property in the company's possession

<i>Creditor Name</i>	<i>Address</i>	<i>City</i>	<i>Postal Code</i>	<i>Amount</i>	<i>Reference</i>
Mason Kings	Rixey Park Kingsteignton Road	Chudleigh	TQ13 0BY	£248 62	
Mill Auto Supplies Limited	Pottery Road Kingsteignton	Newton Abbot	TQ12 3BN	£511 24	N3175
Motor Parts Direct	2 Hedley Units Brunel Road	Newton Abbot	TQ12 4PB	£79 43	
Motormart	128-130 Queen Street	Newton Abbot	TQ12 2EY	£164 86	
Nationwide Crash Repair	172 Thorney Leys Park	Witney	OX28 4GE	£632 14	
Partservices Limited	156 Grace Road Central	Exeter	EX2 8QA	£3,477 45	ACG
Phoenix Tools	Unit 1 Sandygate Business Park Strap Lane	Newton Abbot	TQ12 3XF	£19 56	
PPL	1 Upper James Street	London	W1F 9DE	£37 97	
Radmore & Tucker	Frog Street	Exeter	EX1 1BR	£145 71	
Safetkleen UK Limited	950 Great West Road	Brentford	TW8 9ES	£115 22	
SecureForce UK Limited	Daneheath Business Park Wentworth Road Heathfield Industrial Estate	Newton Abbot	TQ12 6TL	£58 80	
See In Design	50 Farringdon Road	London	EC1M 5HE	£580 00	
Shawbrook Asset Finance	Lutea House Warley Hill Business Park The Drive, Great Warley	Brentwood	CM13 3BE	£600 00	
The Motorist Organisation	1000 Lakeside	Portsmouth	PO6 3EZ	£22 51	
The Teign Local Magazine	4 Milton Road Abbotsbury	Newton Abbot	TQ12 2NL	£700 00	
TyreBay Direct	Saxon House Little Forge Road	Redditch	B98 7SF	£18 84	
Vertu Motors Plc	Bristol Street Fourth Investments Limited Vertu House Fifth Avenue Business Park	Gateshead	NE11 0XA	£616 78	NL/HH
Total				£24,788 44	

Signed

Date

Appendix B

**Information about the Companies and the pre-packaged sale
of the Companies' assets on 25 June 2015**

**AC Landscape and Tree Works Limited ("Landscape"), and
AC Garage Services Limited ("Garage"), and
AC Training Limited ("Training"), and
together referred to as "the Companies"**

**Information about the Companies and the pre-packaged sale of the
Companies' assets on 25 June 2015**

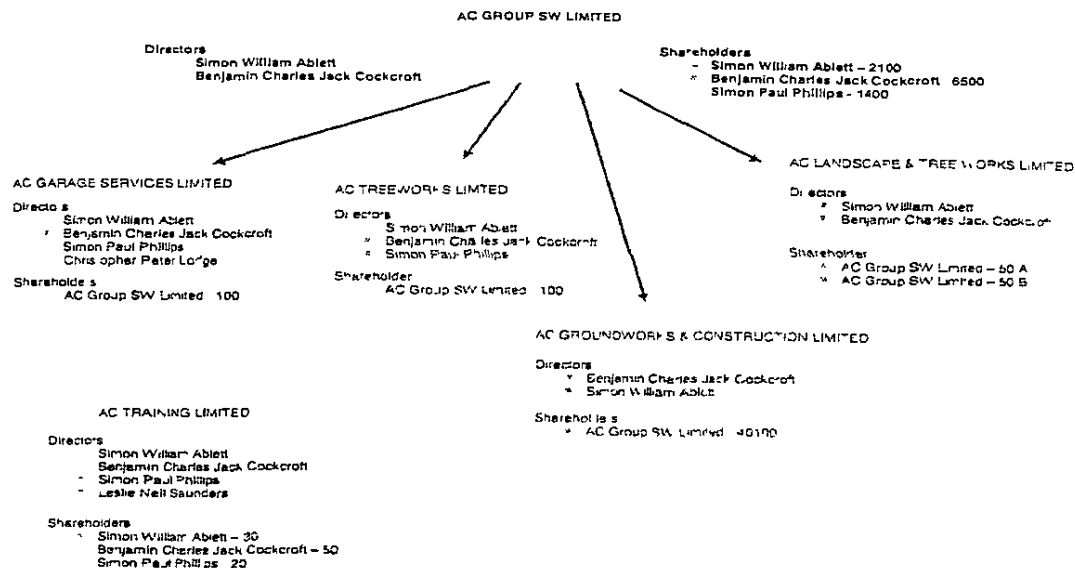
Background information and reasons for the Companies insolvency

The statements of proposals for achieving the purpose of the administrations which will be sent to creditors as soon as practicable will provide detailed information in relation to the Company. However, to assist creditors who may have a limited understanding of the Company and its affairs to better understand the reasons for the pre-packaged sale, we have provided certain background information at this stage.

The Companies are part of a group of companies which also includes the following companies:

- AC Groundworks and Construction Limited ("ACGC")
- AC Group SW Limited ("ACG")
- AC Tree Works Limited ("ACTW")

The companies in the group are associated with each other because the director's, Ben Cockcroft and Simon Ablett control them all. The group is illustrated below:



Landscape was the first company and training and garage businesses were acquired later to compliment it, by providing services which it would, otherwise, outsource elsewhere. ACGC has been making losses. Although Landscape, Garage and Training are profitable the financial affairs of the Companies are very closely linked and the losses in ACGC have affected all the Companies. The Companies are all insolvent.

The business and assets of Landscape, Garage and Training have been sold through a pre-packaged administration sale, which has maximised the value. ACGC and ACG do not have independently viable businesses and the directors have called meetings of creditors at which ACGC and ACG will be placed into creditors' voluntary liquidation. ACTW is dormant and no insolvency process is envisaged.

Reasons for the pre-packaged sale

Following initial meetings with the directors and review of financial affairs it was apparent Landscape, Garage and Training were viable businesses. However the losses incurred in the past which were due, in the main, to ACGC had caused all the group companies' insolvent situation.

Various alternative options were considered with the directors, including informal options, company voluntary arrangement ("CVA"), liquidation and trading administration. Each of these options was disregarded for the reasons given later in this narrative (please see "Alternative courses of action which were considered" in the further information section).

The directors are also directors in the purchaser company. The offer to purchase was initially lower than the final sale agreement provides for and, in this regard, additional goodwill payments will be due under the sale if the purchaser trades profitably in the first two years. The directors believed there would be little interest in purchasing the business from an independent source because the directors themselves were crucial to the main customer. However the business had not been marketed for sale previously. Therefore, in the limited time available, Lambert Smith Hampton were instructed to market the business for sale. No expressions of interest were received, which confirmed the directors belief that a sale of the business to an independent third party such as a competitor would not be possible.

In summary, the only realistic alternative was to liquidate the whole group of companies. In this scenario realisations would be significantly less and the secured creditor would receive a worse return. The benefits of the pre-packaged administration sale are as follows:

- The physical assets have been sold for a value in excess of what could be realised in liquidation. The majority of physical assets are owned by Landscape and are situated on various sites in the Midlands. Recovery of the assets in a liquidation scenario could, therefore, be troublesome and costly.
- The goodwill of the businesses has been sold. Goodwill would realise nothing in liquidation.
- An additional goodwill payment will be received which is linked to future profits of the purchaser. This would not be possible in liquidation.

- The Companies' employees have retained their jobs and have all been transferred to the purchaser
- Unsecured creditor claims will be lower because staff have been transferred to the purchaser and, therefore, do not have claims in the administration
- Book debts are more likely to be collected in the administration because the business is continuing and less disruption will be caused to customers. In addition, the pre-packaged sale provides for Landscape's work in progress to be realised, which would be unlikely in a liquidation scenario

The only creditor which will benefit from the pre-packaged sale is Lloyds Bank Commercial Finance ("Lloyds CF"). Lloyds CF provided an invoice discounting arrangement to Landscape and ACGC and is likely to suffer a significant shortfall. In addition to the invoice discounting agreement, Lloyds CF holds a debenture incorporating fixed and floating charges over the assets of Landscape. Lloyds CF will benefit from increased recoveries under the terms of the invoice discounting agreement (increased book debt collections) and fixed charge realisations (goodwill).

Lloyds CF's anticipated shortfall is likely to be significant because the book debt recoveries in both Landscape and ACGC will not cover the funds which have been advanced. Invoice discounting arrangements would normally have sufficient book debt recoveries to cover repayment of the funding. However, it is clear the book debts which will be collected in Landscape and ACGC will not cover the debt to Lloyds CF. In this regard, book debts in construction industry insolvencies are notoriously difficult to collect and, therefore, realisation from work done is likely to be lower than showing in the books. Also, the invoice discounting account has not been operated within Lloyds CF's criteria and the book debt ledger is lower than it had anticipated.

Realisations from physical and other assets are unlikely to be sufficient to cover the costs of the administration process and it is unlikely there will be any funds available for floating charge holders and unsecured creditors.

It can be seen there is clear benefit in the pre-packaged sale but the recipient of the benefit is only likely to be Lloyds CF.

Statutory purpose of the administration

Administration is only used in order to achieve one of the statutory purposes set out in Paragraph 3 of Schedule B1 to the Insolvency Act 1986. The three statutory purposes are

- 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 creditor

The pre-packaged sale will achieve the second purpose (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) In this regard, the Companies' employees are getting a better outcome because their employment has transferred and they will not have claims against the Companies

FURTHER INFORMATION IN RELATION TO THE PRE-PACKAGED SALE

Initial introduction

The Companies were introduced to Michelle Weir at Lameys by Graham Rooke of Peplows Accountants. The Company had recently moved accountants and, when Mr Rooke realised the seriousness of the Companies' insolvency he advised the directors to take professional advice. The first meeting with the Companies was held on 15 May 2015. Following this, figures were prepared and asset values were considered in order to fully consider the options available.

The Companies formally instructed Lameys to assist it with a pre-packaged administration sale on 10 June 2015.

Lameys spoke with Julie Palmer at Begbies Traynor (Central) LLP ("Begbies Traynor") in relation to the administrations on 10 June 2015 with a view to a the appointment of joint administrators. Lameys are a local firm based in Devon, whereas Begbies Traynor are a national firm and are on Lloyds CF's panel of preferred insolvency practitioners. Due to the circumstances surrounding the operation of the Lloyds CF debt, it was believed an administration would only be implemented if Lloyds CF had the comfort of knowing a panel firm was being appointed.

Extent of the involvement of Michelle Weir of Lameys and Julie Palmer of Begbies Traynor (Central) LLP prior to their appointment as administrators.

Prior to Lameys appointment we advised the Company and not the directors on their personal position, the directors were encouraged to take independent advice.

Lameys were initially consulted on 15 May 2015, as detailed above. Following this Lameys have coordinated the following activities:

- The preparation of valuations for the business and assets
- The preparation of figures by the directors in order to consider the alternatives available for the Companies
- Advising on the alternatives available to the Companies
- Liaising with Julie Palmer at Begbies Traynor
- Assisting with the provision of information and explanations to the Companies' employees
- Following the involvement of Begbies Traynor, Lameys have also been liaising with Lloyds CF and Lloyds Bank plc regarding filing of the Notice on Intention to Appoint Administrators, filing of the Notice of Appointment of Administrators and other appointment formalities
- Negotiations in relation to the pre-packaged sale

Please note that negotiations with the Purchaser in relation to the pre-packaged sale were conducted by Michelle Weir prior to her formal appointment as joint administrator and not by the

directors of the Company. It was made clear to the directors that, once Michelle Weir and Julie Palmer were appointed as joint administrators, their responsibilities would be to act in the best interests of the Companies' creditors. This would mean that they could no longer provide advice to the Company and that their duties to the Companies would cease. The joint administrators would be required to take custody or control of the Companies' property and assets and to manage the affairs, business and property of the Companies in accordance with the approved proposals of the joint administrators.

Begbies Traynor was first contacted by Lameys on 10 June 2015. Following this Begbies Traynor has also liaised with Lloyds CF and Lloyds Bank plc. Julie Palmer has not been involved in the advice to the Companies and only limited involvement in negotiations in relation to the pre-packaged sale.

Marketing

The Company and its business have never been marketed for sale previously. The directors were of the opinion, a sale of the business was not feasible due to the main customer's requirements for personal involvement by the directors.

In the limited time available, Lambert Smith Hampton ("LSH") were instructed by Michelle Weir of Lameys to market the business and assets for sale. LSH were instructed to market the business as fully as possible, including e-marketing and direct approaches to competitors. The initial marketing literature was approved and distributed on 15 June 2015. As at the date of appointment (25 June 2015), no expressions of interest had been received.

Valuation of assets

LSH has provided valuations of the Companies assets. LSH was instructed, in this regard, on 15 May 2015. A summary of the valuations and the sums realised in the pre-packaged sale is illustrated below. Goodwill was not considered by LSH because it was not believed the goodwill was capable of being sold to an independent third party.

Garage assets:

Categories of Assets	Valuation (£)	Valuation (£)
	(going concern basis)	(break-up basis)
Stock	2,400	1,600
Fixtures & fittings	800	600
Plant & machinery	2,500	1,200

Landscape assets:

Categories of Assets	Valuation (£)	Valuation (£)
	(going concern basis)	(break-up basis)
Plant & machinery	30,800	19,500
Motor vehicles	19,000	15,000

Landscape and Garage also have various assets on various finance agreement. However, none have a value materially in excess of the outstanding finance and many of the finance companies have consolidation clauses in their agreements.

As previously mentioned, many of the assets owned by Landscape are located at various geographical locations and could prove problematical to collect in a break up situation.

Training has no physical assets.

Security

The Companies all bank with Lloyds Bank plc ("the Bank") and Lloyds CF provides an invoice discounting facility to Landscape.

The invoice discounting facility and current indebtedness is approximately as follows:

Book debt ledger	£110K
Lloyd CF lending	£297K

The Bank provides an overdraft facility of £10,000 and £15,000 in Landscape and Garage, respectively.

Both the Bank and Lloyds CF have security over Landscape's assets, as follows:

The Bank

The Bank holds a debenture incorporating fixed and floating charges, which is dated 14 January 2014 and was delivered at Companies House on 16 January 2014.

Lloyds CF

In addition to the invoice discounting agreement, Lloyds CF holds a debenture incorporating fixed and floating charges, which is dated 22 February 2011 and was delivered at Companies House on 25 February 2011.

There is no security registered at Companies House in relation to Garage or Training.

Both the Bank and Lloyds CF have been provided with personal guarantees from the directors and a cross guarantee from other group companies

Alternative courses of action which were considered

During the advice provided by Lameys to the Company various alternatives were considered before deciding to proceed with the pre-packaged administration sale. The main alternatives were As follows

- Informal options
- Company voluntary arrangement ("CVA")
- Creditors' voluntary liquidation ("CVL")
- Trading administration

Informal and CVA

An informal solution to the Companies insolvency and a CVA would require the continued support of the Bank and Lloyds CF. This continued support was considered unlikely due to the issues with the invoice discounting facility which are detailed above.

Trading administration

It is often possible to trade a company whilst it is in administration with a view to finding a purchaser of the business as a going concern. However, this would be a very risky strategy if the contract with the main customer was not capable of being sold. Without the main customer the business was not viable and unattractive to a third party. Michelmores Solicitors were instructed by Lameys to advise on the nature of the relevant contract and whether or not it was capable of being transferred to a purchaser. Michelmores reported that the contract was effectively a licence which is capable of termination on insolvency. Trading in administration would quickly incur significant costs and it is quite possible that a sale of the business would not be achieved. The break-up value of the assets is relatively low and, therefore, if a sale was not achieved the realisations would not cover the costs. This risk of increased costs with no sale to cover payment those costs meant a trading administration was not possible. No approach was made to anyone to ask for funding for a trading administration because trading was considered far too risky.

CVL

The only other alternative which was a realistic option for the directors was to liquidate the whole group of companies. The physical assets would be sold for break up values and nothing paid for goodwill. The likely result from liquidating the whole group is for unsecured and preferential creditors would receive nothing. Lloyds CF are the only creditor which would receive any return but their return would be lower than will be achieved through the pre-packaged administration sale. Lameys have estimated Lloyds CF will receive £250,000 from the pre-packaged administration but only £50,000 if the whole group is liquidated. This is primarily due to the anticipated enhanced book debt collections, work in progress realisation and value of goodwill, all of which are subject to Lloyds CF's invoice discounting agreement or fixed charge.

Consultation with major creditors

The Bank and Lloyds CF were provided with a summary of the proposed pre-packaged administration sale and have provided their consent to the appointment of joint administrators. No other creditors have been consulted.

Details of the pre-packaged sale agreement

The sale completed immediately after the joint administrators appointment on 25 June 2015.

The sale was for all of the assets of the company and there were no material physical assets excluded from the sale. The Companies book debts and work in progress (with the exception of the main customer's work in progress) were excluded and will be collected by the administrators and/or Lloyds CF.

The consideration includes a fixed amount of £75,600 for the assets and goodwill (see below) and an additional goodwill element which is linked to the purchaser company's future profitability. The fixed consideration includes a deferred element as follows:

	£'000
Initial	15.0
Sep-15	3.5
Oct-15	3.5
Nov-15	4.5
Dec-15	5.5
Jan-16	6.1
Feb-16	7.5
Mar-16	7.5
Apr-16	7.5
May-16	7.5
Jun-16	7.5
Total	<u>75.6</u>

The initial payment was paid into a Lameys client account prior to completion. The deferred payments start in September 2015 due to the purchaser company's funding requirements.

The additional consideration for goodwill will be assessed after the first year and second year of the purchaser company's trade. The payment will equate to 50% of profits in excess of £100,000. Based on the purchaser company's forecasts, the realisation in this regard is estimated to be in the region of £100,000. The split between the Companies will be in the ratio 83 : 14 : 3 to Landscape, Garage and Training, respectively. This is based on the turnover of the respective companies. This additional consideration is goodwill and will therefore be a fixed charge realisation in Landscape and an uncharged realisation in Garage and Training.

As security for the deferred element of the consideration and the additional consideration the following security has been given:

- The directors Mr B Cockcroft and Mr S Ablett have provided personal guarantees
- The mother of the director, Mr B Cockcroft, has provided also a personal guarantee and security against an unencumbered freehold property

The work in progress which is attributable to Landscape's main customer will be invoiced by the purchaser company. After adjusting for agreed costs, this work in progress will be paid via the purchaser company's new invoice discounting company into the administration. Whilst the main customer will pay to the purchaser company, the administrators will have control of the funds because the invoice discounting draw-down in the first two months will be paid into the administrations bank account. The realisation of this work in progress is anticipated to total approximately £50,000 and will be caught under the terms of Landscapes invoice discounting agreement with Lloyds CF.

The table below illustrates the assets which have been sold for a fixed amount and provides a comparison to the forced sale and going concern valuations

Garage:

<u>Categories of Assets</u>	<u>Valuation</u> <u>going concern</u> <u>basis (£)</u>	<u>Valuation</u> <u>break-up basis</u> <u>(£)</u>	<u>Sum realised</u> <u>(£)</u>	<u>Fixed or</u> <u>Floating charge</u> <u>realisation</u>
Stock	2,400	1,600	3,000	Uncharged
Fixtures & fittings	800	600	2,000	Uncharged
Plant & machinery	2,500	1,200	4,000	Uncharged
Goodwill	N/A	N/A	5,000	Uncharged

Landscape:

<u>Categories of Assets</u>	<u>Valuation</u> <u>going concern</u> <u>basis (£)</u>	<u>Valuation</u> <u>break-up basis</u> <u>(£)</u>	<u>Sum realised</u> <u>(£)</u>	<u>Fixed or</u> <u>Floating charge</u> <u>realisation</u>
Plant & machinery	30,800	19,500	31,600	Floating
Motor vehicles	19,000	15,000	20,000	Floating
Goodwill	N/A	N/A	5,000	Fixed

Training

<u>Categories of Assets</u>	<u>Valuation</u> <u>going concern</u> <u>basis (£)</u>	<u>Valuation</u> <u>break-up basis</u> <u>(£)</u>	<u>Sum realised</u> <u>(£)</u>	<u>Fixed or</u> <u>Floating charge</u> <u>realisation</u>
Goodwill	N/A	N/A	5,000	Uncharged

The purchaser company is AC Landscape and Tree Works UK Limited ("Landscape UK")

We understand from information provided by the directors and obtained from Companies House that Landscape UK is associated to the Companies because its shareholder is the father of the director, Mr B Cockcroft and it has the following common directors

- Mr B Cockcroft
- Mr S Ablett

The directors have provided personal guarantees to Lloyds CF and the Bank, as well as several other finance, lease and hire agreements. As far as the administrators are aware none of these financiers are providing finance to Landscapes UK

Other than the deferred consideration and additional consideration, there are no options, buy back arrangements, or other conditions attached to the contract of sale

This sale is not part of a wider transaction

LSH have provided valuations in respect of this pre-packaged administration sale. LSH are independent to the joint administrators

The businesses of the Companies were not acquired from an insolvency practitioner, prior to this pre-packaged sale

Appendix C

**Receipts & Payments Accounts for the period 25 June to 11
August 2015**

AC Landscape & Tree Works Limited - in administration

Receipts and payments account for the period 25 June 2015 to 11 August 2015

	TOTAL TO DATE
	£
RECEIPTS - FIXED CHARGE	
Goodwill	Nil
Work in progress	35,289 99
Additional consideration	Nil
Book Debts	675 00
Total fixed charge receipts	<u>35,964.99</u>
RECEIPTS - FLOATING CHARGE	
Balance at Bank	228 00
Plant and equipment	2,500 00
Motor vehicles	2,500 00
Licence fee	3,666 64
Interest received	0 56
Total floating charge receipts	<u>8,895.20</u>
Total receipts	<u>44,860.19</u>
PAYMENTS - FLOATING CHARGE	
Rent	1,999 98
Total payments	<u>1,999.98</u>
Balance in hand	<u>42,860.21</u>
Balance in hand held as follows:	
Client account - fixed charge	35,964 99
Client account - floating charge	13,953 21
VAT payable	(7,057 99)
	<u>42,860.21</u>

Notes:

Receipts and payments are stated net of VAT

As at the date of this report the directors have not submitted a statement of affairs

AC Training Limited - in administration

Receipts and payments account for the period 25 June 2015 to 11 August 2015

	TOTAL TO DATE
	£
RECEIPTS	
Balance at Bank	1,214 49
Goodwill	5,000 00
Additional consideration	Nil
Book debts	1,300 00
Total receipts	<u>7,514.49</u>
PAYMENTS	
None	Nil
Total payments	<u>Nil</u>
Balance in hand	<u>7,514.49</u>
Balance in hand held as follows:	
Client account	7,514 49
VAT	Nil
	<u>7,514.49</u>

Notes:

Receipts and payments are stated net of VAT

As at the date of this report the directors have not submitted a statement of affairs

There is no charge registered over the assets of AC Training Limited

AC Garage Services Limited - in administration

Receipts and payments account for the period 25 June 2015 to 11 August 2015

	TOTAL TO DATE
	£
RECEIPTS	
Goodwill	Nil
Additional consideration	Nil
Plant and equipment	Nil
Office furniture and equipment	2,000 00
Stock	3,000 00
Book debts	570 41
Total receipts	<u>5,570.41</u>
PAYMENTS	
None	Nil
Total payments	<u>Nil</u>
Balance in hand	<u>5,570.41</u>
Balance in hand held as follows:	
Client account	5,570 41
VAT	Nil
	<u>5,570.41</u>

Notes:

Receipts and payments are stated net of VAT

As at the date of this report the directors have not submitted a statement of affairs

There is no charge registered over the assets of AC Garage Services Limited

Appendix D

Time Analysis for the period 25 June to 11 August 2015

AC LANDSCAPE & TREE WORKS LIMITED - ADMINISTRATION

LAMEYS

Time Cost Analysis Summary

Period of Time Costs from **25 June 2015**
to **11 August 2015**

Description of Work	Partner	Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Total Cost	Average Rate £/hr
Administration and Planning	4 40	7 00	2 90	4 30	18.60	£ 3,392 00	£ 182 37
Realisations of Assets	11 00	5 50	1 00		17 50	£ 4,055 00	£ 231.71
Creditors	0 50	6 50		4 40	11 40	£ 1,886 00	£ 165 44
Total Hours	15 90	19 00	3 90	8 70	47.50	£ 9,333.00	£ 196.48

Total Time Costs (£)

£ 9,333 00

AC TRAINING LIMITED - ADMINISTRATION

LAMEYS

Time Cost Analysis Summary

Period of Time Costs from 25 June 2015
to 11 August 2015

Description of Work	Partner	Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Total Cost	Average Rate £/hr
Administration and Planning	0 50	7 00	1 70	2 20	11 40	£ 2,048 00	£ 179 65
Realisations of Assets	0 70				0 70	£ 175 00	£ 250 00
Creditors				0 20	0 20	£ 18 00	£ 90 00
Total Hours	1 20	7 00	1 70	2 40	12 30	£ 2,241 00	£ 182 20

Total Time Costs (£) £ 2,241 00

AC GARAGE SERVICES LIMITED - ADMINISTRATION

LAMEYS

Time Cost Analysis Summary

Period of Time Costs from 25 June 2015
to 11 August 2015

Description of Work	Partner	Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Total Cost	Average Rate £/hr
Administration and Planning	0 70	7 00	1 50	2 80	12 00	£ 2,122 00	£ 176.83
Realisations of Assets	0 90	0 50			1 40	£ 330 00	£ 235 71
Creditors	0 30	2 00		1 60	3 90	£ 639 00	£ 163 85
Total Hours	1 90	9.50	1.50	4 40	17.30	£ 3,091 00	£ 178 67

Total Time Costs (£)

 £ 3,091 00

AC LANDSACPE & TREE WORKS LIMITED - ADMINISTRATION

BECBIES TRAYNOR (CENTRAL) LLP

Time Cost Analysis Summary

Period of Time Costs from 25 June 2015 to 11 August 2015

Staff Grade	Partner	Director	Snr Mgr	Mn J	Asst Mgr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time cost £	Average hourly rate £
Administration and Planning												
Investigations												
Realisation of assets												
Trading												
Creditors												
Other matters												
Administration and Planning												
Investigations												
Realisation of assets												
Trading												
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Creditors												
Other matters												
Administration and Planning												
Investigations												
Realisation of assets												
Trading												
Creditors												

BEGBIES TRAYNOR (CENTRAL) LLP

Time Cost Analysis Summary

Period of Time Costs from 25 June 2015 to 11 August 2015

Staff Grade	Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time cost £	Average hourly rate £	
Administration and Planning													
	Appointment and case planning												
	Administration and Banking									1 00	205 00	205 00	
	Statutory reporting and statement of affairs												
Investigations	CDDA and investigations												
Realisation of assets	Debt collection												
	Property business and asset sales												
	Retention of Title/Third party assets												
Trading	Trading												
Creditors	Secured												
	Others												
	Creditors committee												
Other matters	Meetings												
	Other												
	Tax												
	Litigation												
Total hours by staff grade											1 0		
Total time cost by staff grade £												205 00	
Average hourly rate £													205 00
Total fees drawn to date £												0 00	

BECBIES TRAYNOR (CENTRAL) LLP

Time Cost Analysis Summary

Period of Time Costs from 25 June 2015 to 11 August 2015

[illegible]

Appendix E

Additional Information in relation to Joint Administrators' Fees pursuant to Statement of Insolvency Practice 9 (SIP9)

ADDITIONAL INFORMATION IN RELATION TO ADMINISTRATORS FEES AND EXPENSES

1 Policy

Detailed below is Lameys policy in relation to
Staff allocation and the use of sub-contractors
Professional advisors
Disbursements

1.1 Staff allocation and the use of sub-contractors

Lameys 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, Manager Senior and Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger more complex cases several Seniors/Assistants may be allocated to meet the demands of the case

It has been my policy as Administrator to delegate the routine administration of the case to appropriate staff in order to maximise the cost effectiveness of the work performed. These staff are supervised by the Administrator. Any matter of particular complexity or significant that requires responsibility of exceptional kind will be dealt with by the Administrator or a Partner

In common with all professional firms the Administrator's scale rates increase from time to time over the period of the administration of each insolvency case. Lameys or any successor firm reserves the right to change the rates and grade structure

Lameys does not utilise the services of any sub-contractors

1.2 Professional advisors

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

Professional Advisor	Nature of Work	Basis of Fee Arrangement
Michelmores Solicitors	Legal advice	Time cost

The choice was based on my 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

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. Lameys seeks to recover those expenses and costs that constitute Category 1 disbursements if funds permit

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred which relate to payments due to associated companies for the provision of services to the office holder. It is Lameys policy not to charge for Category 2 disbursements other than business mileage at the published rate

2 Charge out rates

Time is recorded in 5 minute units

The current charge-out rates are as follows -

IP/Partner	£250 per hour
Senior Manager	£210 per hour
Assistant Manager	£170 per hour
Other Senior Professionals	£150 per hour
Assistants & Support Staff	£90 per hour

3 Requests for further information/Rights to challenge remuneration and expenses

3.1 In accordance with Rule 2.45A of the Insolvency Rules 1986 (as amended) a creditor may within 21 days of receipt of a Progress Report request the Administrator to provide further information about the remuneration and expenses set out in the Report. Such a request must be in writing and may be made by either (a) a secured creditor, (b) an unsecured creditor with the concurrence of at least 5% in value of the creditors (including that creditor) or (c) any unsecured creditor with the permission of the Court

The Administrator must provide the requested information within 14 days unless he considers that the time or cost involved would be excessive, 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 it

3.2 If a creditor believes that the Administrator's remuneration is in the circumstances excessive, the basis is inappropriate or the expenses incurred are excessive pursuant to Rule 2.109 of the Insolvency Rules 1986 (as amended) he may, subject to certain conditions, make application to Court

Any such application must be made within 8 weeks of receipt of the Progress Report and can be made by either (a) any secured creditor, (b) any secured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the Court, or (c) the bankrupt

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

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

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

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

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

Best practice guidance classifies expenses into two broad categories:

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

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

- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates.

Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

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

² Ibid 1

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

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

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

Grade of staff	Charge-out rate (£ per hour)
	1 May 2011 – until further notice
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

Notice of a Meeting of Creditors

Name of Company AC Garage Services Limited	Company Number 08068754
In the Exeter County Court <small>[full name of Court]</small>	Court Case Number 80 of 2015

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

Notice is hereby given by (a) Michelle Anne Weir of Lameys, One Courtenay Park, Newton Abbot, Devon, TQ12 2HD and Julie Anne Palmer of Begbies Traynor (Central) LLP, 65 St Edmunds Church Street, Salisbury, SP1 1EF

(b) Insert full name and address of registered office of the Company

that a Meeting of the Creditors of (b) AC Garage Services Limited, One Courtenay Park, Newton Abbot, Devon, TQ12 2HD

(c) Insert details of place of meeting

is to be held at (c) One Courtenay Park, Newton Abbot, Devon, TQ12 2HD

(d) Insert date and time of meeting

on (d) 28 August 2015 at 11 00 a m

This meeting is -

*Delete as applicable

- ~~*(1) an initial Creditors' Meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ("the Schedule");~~
- ~~*(2) an initial Creditors' Meeting requested under paragraph 52(2) of the Schedule;~~
- ~~*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule;~~
- ~~*(4) a further Creditors' Meeting under paragraph 56 of the Schedule;~~
- *(5) a Creditors' Meeting under paragraph 62 of the Schedule

I invite you to attend the above meeting

A Proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented

In order to be entitled to vote under Rule 2 38 at the meeting you must give to me, not later than 12 00 noon on the business day before the day fixed for the meeting, details in writing of your claim

Signed


JOINT ADMINISTRATOR

Dated

11.8.2015

*Delete as applicable

A copy of the ~~*proposals/revised proposals~~ is attached

Notice of a Meeting of Creditors

Name of Company AC Training Limited	Company Number 08029118
In the Exeter County Court [full name of Court]	Court Case Number 79 of 2015

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

Notice is hereby given by (a) Michelle Anne Weir of Lameys, One Courtenay Park, Newton Abbot, Devon, TQ12 2HD and Julie Anne Palmer of Begbies Traynor (Central) LLP, 65 St Edmunds Church Street, Salisbury, SP1 1EF

(b) Insert full name and address of registered office of the Company

that a Meeting of the Creditors of (b) AC Training Limited, One Courtenay Park, Newton Abbot, Devon, TQ12 2HD

(c) Insert details of place of meeting

is to be held at (c) One Courtenay Park, Newton Abbot, Devon, TQ12 2HD

(d) Insert date and time of meeting

on (d) 28 August 2015 at 11 15 a m

This meeting is -

*Delete as applicable

- *~~(1) an initial Creditors' Meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ("the Schedule"),~~
- *~~(2) an initial Creditors' Meeting requested under paragraph 52(2) of the Schedule,~~
- *~~(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule,~~
- *~~(4) a further Creditors' Meeting under paragraph 56 of the Schedule,~~
- *~~(5) a Creditors' Meeting under paragraph 62 of the Schedule~~

I invite you to attend the above meeting.

A Proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented

In order to be entitled to vote under Rule 2 38 at the meeting you must give to me, not later than 12 00 noon on the business day before the day fixed for the meeting, details in writing of your claim

Signed

JOINT ADMINISTRATOR

Dated

11.8.2015

*Delete as applicable

A copy of the *proposals/~~revised proposals~~ is attached

INSOLVENCY ACT 1986 (PARAGRAPH 51 OF SCHEDULE B1)

PROXY (ADMINISTRATION)

**AC GARAGE SERVICES LIMITED
IN ADMINISTRATION**

Notes to help completion of the form

Please give full name and address for communication

Name of creditor

Address

Please insert name of person (who must be 18 or over) or the "chairman of the meeting" (see note below) If you wish to provide for alternative Proxy-holders in the Circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well

Name of proxy-holder

1

2

3

Please delete words in brackets if the proxy-holder is only to vote as directed ie he has no discretion

I appoint the above person to be my proxy-holder at the meeting of creditors to be held on 28 August 2015, or at any adjournment of that meeting The proxy-holder is to propose or vote as instructed below [and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion]

Voting instructions for resolutions

*Please delete as appropriate Any other resolutions which the proxy-holder is to propose or vote in favour of or against should be set out in numbered paragraphs in the space provided below If more room is required please use the other side of this form

1

That the Administrator's proposals be approved

***For/Against**

2

That the pre appointment costs, detailed below, be approved
Lameys - £10,000 plus VAT and disbursements and VAT
Lambert Smith Hampton - £5,300 plus disbursements and VAT
Michelmores Solicitors - £15,000 plus disbursements and VAT

***For/Against**

3

Under Rule 2 106 of the Insolvency (Amendment) Rules 2003 and in the absence of a Creditors' Committee, the remuneration of the Administrator be fixed by reference to time properly spent by her and her staff in attending to matters arising from the Administration These fees are to be paid at the Administrator's discretion as and when funds are available

***For/Against**

4

That the Michelle Anne Weir be reimbursed for business mileage incurred by her and her staff in dealing with the case at the rate of 45p per mile

***For/Against**

5

That Julie Anne Palmer of Begbies Traynor (Central) LLP be reimbursed for disbursements, including disbursements for services (defined as Category 2 disbursements in Statement of Insolvency Practice 9) in accordance with the firms policy

***For/Against**

6

The Administrator will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon her appointment as Administrator ceasing to have effect

***For/Against**

7

For the appointment of

Committee

of representing as a member of the Creditors'

This form must be signed

Signature

Date

Name in CAPITAL LETTERS

Only to be completed if the creditor/member has not signed in person

Position with creditor/member or relationship to creditor/member or other authority for signature

**INSOLVENCY ACT 1986 (PARAGRAPH 51 OF SCHEDULE B1)
PROXY (ADMINISTRATION)**

**AC TRAINING LIMITED
IN ADMINISTRATION**

**Notes to help completion of the
form**

Please give full name and
address for communication

Name of creditor

Address

Please insert name of
person (who must be 18 or
over) or the "chairman of
the meeting" (see note
below) If you wish to
Provide for alternative
Proxy-holders in the
Circumstances that your first
choice is unable to attend
please state the name(s) of
the alternatives as well

Name of proxy-holder

1

2

3

Please delete words in brackets if
the proxy-holder is only to vote as
directed ie he has no discretion

I appoint the above person to be my proxy-holder at the meeting of creditors to be held on 28 August 2015, or at any adjournment of that meeting. The proxy-holder is to propose or vote as instructed below [and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion]

Voting instructions for resolutions

*Please delete as appropriate
Any other resolutions which
the proxy-holder is to
propose or vote in favour of
or against should be set out
in numbered paragraphs in
the space provided below
If more room
is required please use the
other side of this form

1

That the Administrator's proposals be approved

***For/Against**

2

Under Rule 2.106 of the Insolvency (Amendment) Rules 2003 and in the absence of a Creditors' Committee, the remuneration of the Administrator be fixed by reference to time properly spent by her and her staff in attending to matters arising from the Administration. These fees are to be paid at the Administrator's discretion as and when funds are available

***For/Against**

3

That the Michelle Anne Weir be reimbursed for business mileage incurred by her and her staff in dealing with the case at the rate of 45p per mile

***For/Against**

3

That Julie Anne Palmer of Begbies Traynor (Central) LLP be reimbursed for disbursements, including disbursements for services (defined as Category 2 disbursements in Statement of Insolvency Practice 9) in accordance with the firm's policy

***For/Against**

5

The Administrator will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon her appointment as Administrator ceasing to have effect

***For/Against**

6

For the appointment of

of
representing
as a member of the Creditors' Committee

This form must be signed

Signature

Date

Name in CAPITAL LETTERS

Only to be completed if the
creditor/member has not signed
in person

**Position with creditor/member or relationship to creditor/member or other authority for
signature**

AC TRAINING LIMITED

CREDITOR'S STATEMENT OF CLAIM

Name and Address of Creditor

Amount claimed in the Administration -
(Including VAT)

£

Signature of Creditor

Name of Creditor

Telephone

Fax

Email

Date

Please provide appropriate documentation in support of your claim

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994

Please return this form when you have completed it to Lameys, One Courtenay Park, Newton Abbot, Devon, TQ12 2HD

Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 Value Added Tax Act 1994. In broad terms relief is available when the debt is six months old and "written off" by the creditor entering it on his VAT refunds-for-bad-debts-account.

Claims lodged in the Administration should be gross, including any VAT element. If/when dividends are paid, creditors who have claimed VAT bad debt relief must apportion the dividend between VAT and the net element of their claim and account to HM Revenue & Customs for the VAT element through their VAT Return.

Insolvency Practitioners have no role in administering VAT bad debt relief under the Value Added Tax Act 1994. Creditors who are uncertain how to claim should contact their VAT office or take professional advice.

AC GARAGE SERVICES LIMITED

CREDITOR'S STATEMENT OF CLAIM

Name and Address of Creditor

Amount claimed in the Administration -
(Including VAT)

£

Signature of Creditor

Name of Creditor

Telephone

Fax

Email

Date

Please provide appropriate documentation in support of your claim

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994

Please return this form when you have completed it to Lameys, One Courtenay Park, Newton Abbot, Devon, TQ12 2HD

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