

The Insolvency Act 1986

# Statement of administrator's proposals


Name of Company Premier Transport Services Ltd	Company number 03546688
In the Manchester District Registry  [full name of court]	Court case number 2686 of 2014

(a) Insert full name(s) and address(es) of administrator(s)	I / We (a) Alan Brian Coleman Royce Peeling Green Limited The Copper Room Deva Centre Trinity Way Manchester M3 7BG	Roderick Michael Withinshaw Royce Peeling Green Limited The Copper Room Deva Centre Trinity Way Manchester M3 7BG
-------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------------------------------------------------------------

\* Delete as applicable attach a copy of \*my / our proposals in respect of the administration of the above company

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

(b) Insert date (b) 27 June 2014

Signed   
 Joint / Administrator(s)

Dated 3 / 7 / 2014

**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.

Alan Brian Coleman Royce Peeling Green Limited The Copper Room Deva Centre Trinity Way Manchester M3 7BG DX Number	0161 608 0002 DX Exchange
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FRIDAY



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 COMPANIES HOUSE

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

**Joint Administrators' Statement of  
Proposals pursuant to Paragraph  
49 of Schedule B1**

**Premier Transport Services Ltd -  
In Administration**

**27 June 2014**

## PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION

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## PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION

### 1 Statutory Information

- 1 1 The registered number of Premier Transport Services Ltd (the **Company**) is 03546688
- 1 2 The trading address of the Company is Park House, 48-50 Manchester Road, Haslingden, Lancashire, BB4 5ST
- 1 3 The registered office of the Company has been changed from Park House, 48-50 Manchester Road, Haslingden, Lancashire, BB4 5ST to The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG
- 1 4 Details of the Company's directors, secretary and shareholders are as follows

	Date appointed	Date resigned	Shares held
<b>Director(s)</b>			
Stuart Halstead	16 April 1998		26
Brian Keith Landregan	16 April 1998		26
<b>Secretary</b>			
Stuart Halstead	16 April 1998		
<b>Shareholder(s)</b>			
Shauna Halstead			24
Heather Landregan			24

### 2 Background to the Administration

- 2 1 The Company was incorporated in 1998 and traded as a freight forwarding brokerage business from leasehold premises in Haslingden
- 2 2 The Company was managed and owned by Stuart Halstead and Brian Landregan and their spouses
- 2 3 In 2007 the Company entered into an invoice discounting agreement with Lloyds TSB Commercial Finance Limited ("LTSB") and granted LTSB a fixed and floating charge over the assets of the Company
- 2 4 Extracts from the Company's recent Financial Statements are set out below however balance sheet information for the years ended 30 April 2013 and 30 April 2014 has not been available

PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION

Period Ended	Management Accounts	Management Accounts	Account
	1 May 2013 to 30 April 2014	1 May 2012 to 30 April 2013	1 May 2011 to 30 April 2012
	£'000	£'000	£'000
<b><u>Profit &amp; Loss Account</u></b>			
Turnover	811	690	968
Gross profit/(loss)	211	168	193
Net profit/(loss)	107	40	(23)
Dividends	16	29	60
Directors' remuneration	27	24	24
<b><u>Balance Sheet</u></b>			
Fixed Assets			37
Current Assets			310
Current Liabilities			(369)
Long Term Liabilities			-
Provision for Liabilities			-
<b>Net Assets/(Liabilities)</b>			<b>(22)</b>
Share Capital			-
P & L Reserves			(22)
<b>Shareholder's Funds</b>			<b>(22)</b>

- 2 5 In the financial year to 30 April 2012 the Company suffered a number of bad debts resulting in a loss for the year of £23,000 despite achieving turnover of £968,000. The Company's invoice discounters had to impose limitations on the Company's facility to account for the bad debts. Limitation on funds available put strain on the Company's cashflow and they were unable to keep up with payments due to HM Revenue & Customs and other creditors.
- 2 6 In the financial year to 30 April 2013, turnover was reduced to £690,000 but the Company managed to achieve a profit for the year of £40,000. However, the Company found itself unable to clear creditor arrears that had accumulated during the previous financial year.
- 2 7 In the year to 30 April 2014 the Company was able to increase turnover resulting in further increased profits but still cashflow was strained and the historic creditor arrears remained.
- 2 8 A warning of winding up action was received from HM Revenue & Customs at the beginning of May 2014, following which the directors sought insolvency advice.
- 2 9 On 22 May 2014, the directors resolved to place the Company into Administration and filed a Notice of Intention to Appoint Administrators in Court.
- 2 10 Following the filing of this notice a sales and marketing exercise was carried out by Royce Peeling Green Limited. The business and assets were advertised for sale (further details of the marketing can be found in the report at appendix F). The director was the only interested party and a sale was negotiated and agreed.

## PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION

- 2 11 As part of forming a new company the director changed funders on 22 May 2014 Factor 21 (North) Limited paid off the Company's liability to LTSB and entered into a factoring agreement with the Company The Company granted a fixed and floating charge to Factor 21 (North) Limited
- 2 12 Alan Brian Coleman and Roderick Michael Withinshaw of Royce Peeling Green Limited, The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG licensed insolvency practitioners, were appointed Joint Administrators of the Company by Stuart Halstead on 5 June 2014 The Administrators act jointly and severally
- 2 13 The Administration is registered in the Manchester District Registry, under reference number 2686 of 2014
- 2 14 The EC Regulation on Insolvency Proceedings 2000 applies to the Administration The proceedings are main proceedings as defined by Article 3 of the Regulation The Company is based in the United Kingdom

### 3 Administration Strategy and Objective

- 3 1 The Joint Administrators must perform their functions with the purpose of achieving one of the following objectives
- rescuing the Company as a going concern,
  - 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
  - realising property in order to make a distribution to one or more secured or preferential creditors
- 3 2 Following our preliminary review of the business it was apparent that due to the extent of its liabilities, and with no new sources of additional finance available, the Company was incapable of being rescued as a going concern
- 3 3 Accordingly the purpose of the Administration was to achieve a better result for creditors than would be obtained through an immediate liquidation of the Company This has been achieved by a sale of the Company's business and assets to Premier Courier Services (North West) Limited on 6 June 2014
- 3 4 Following the completion of the pre-packaged sale of the Company's business and assets on 6 June 2014 to Premier Courier Services (North West) Limited, the Joint Administrators sent a letter to creditors on 10 June 2014 to provide further information on the sale pursuant to

## PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION

the requirements of Statement of Insolvency Practice No 16. A copy of this statement is attached at Appendix F for your information.

- 3.5 In accordance with Statement of Insolvency Practice No 13, I would advise you that the following assets were sold to a company with a common director:

Date of transaction	Assets involved & nature of transaction	Consideration paid & date	Sold to	Relationship
5 June 2014	Equipment	500	Premier Courier Services (North West) Limited	Directors in common
5 June 2014	Goodwill	11,500	Premier Courier Services (North West) Limited	Directors in common

- 3.6 Stuart Halstead is a director of the Company and is also a director of Premier Courier Services (North West) Limited.

- 3.7 During the period prior to the sale, RPG discussed the proposed strategy with the Company's secured creditor, Factor 21. Due to time constraints, it was not possible to consult with any of the major unsecured creditors.

### 4 Joint Administrators' Receipts and Payments

- 4.1 A summary of receipts and payments for the Administration period from the date of my appointment to 27 June 2014 is attached as Appendix A.

- 4.2 The sum of £1,000 has been received in respect of the pre-packaged sale. The balance of £11,000 will be paid over the next 11 months.

- 4.3 The sum of £15,069 was paid by Factor 21 (North) Limited, representing the equity in the debtors ledger at the date of Administration.

### 5 Financial Position

- 5.1 Attached at Appendix B is a summary of the Directors' Estimated Statement of Affairs of the Company as at the date of the appointment of the Joint Administrators.

## 6 Proposals

It is proposed that the Joint Administrators will continue to manage the affairs of the Company in order to achieve the objective of the Administration. In the circumstances it is proposed that

- 6.1 If having realised the assets of the Company, the Joint Administrators think 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 the appointment of the Joint Administrators 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 the Joint Administrators will become the Joint Liquidators' of the CVL and the acts of the Joint Liquidators may be undertaken by either or both of them. See Section 7 below on **Exit Routes** for further information on this process.
- 6.2 If the Joint Administrators think that the Company has no property which might permit a distribution to its creditors, they will file a notice with the Court and the Registrar of Companies for the dissolution of the Company. See Section 7 below on **Exit Routes** for further information on this process.
- 6.3 The Joint Administrators shall do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.
- 6.4 The creditors consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction the basis of the Joint Administrators' remuneration and disbursements and any proposed act on the part of the Joint 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.
- 6.5 Where no Creditors' Committee is appointed, the remuneration and disbursements of the Joint Administrators shall be fixed by resolution of a meeting of creditors or where the Joint Administrators think that the company has insufficient property to enable a distribution to be made to the unsecured creditors (other than via the prescribed part), approval will be sought from the secured and (if necessary) the preferential creditors in accordance with R2 106 of the Insolvency Rules 1986. The Joint Administrators will also seek approval for any unpaid pre-administration costs detailed in this report and his discharge from liability in the same manner.
- 6.6 In this case, the Joint Administrators are seeking to approve the basis of their remuneration as follows



## PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION

- By reference to the time properly spent by the Joint Administrators and their staff in attending to matters arising in the Administration

- 6 9 In accordance with Statement of Insolvency Practice No 9, issued by the Association of Business Recovery Professionals, the Joint Administrators be authorised to draw Category 2 disbursements as and when funds are available, in accordance with their firm's published tariff Details of Category 2 disbursements charged by the firm can be found in Appendix D
- 6 10 The Joint Administrators be authorised to draw remuneration as and when funds are available
- 6 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 Joint Administrators ceasing to have effect

## 7 Exit Routes

### *Creditors Voluntary Liquidation*

- 7 1 Based on present information, the Joint Administrators think a dividend will be paid to the unsecured creditors, subject to receiving all payments due from Premier Courier Services (North West) Limited As a result, the Joint Administrators will expect that they will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation (CVL) to facilitate this distribution It is proposed that the Joint Administrators will also become the Joint Liquidators of the CVL
- 7 2 It is proposed that the Joint Liquidators will be authorised to act jointly and severally in the subsequent liquidation
- 7 3 Creditors have the right to nominate alternative liquidators of their choice To do this, creditors must make their nomination in writing to the Joint Administrators prior to these proposals being approved Where this occurs, the Joint Administrators will advise creditors and provide the opportunity to vote In the absence of a nomination, the Joint Administrators will automatically become the Joint Liquidators of the subsequent CVL

### *Dissolution of the Company*

- 7 4 If the Joint Administrators think that the Company has no property which might permit a distribution to its unsecured creditors, it is proposed that they file a notice together with their

## PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION

final progress report at Court and with the Registrar of Companies for the dissolution of the Company. They will send copies of these documents to the Company and its creditors. The Joint Administrators' appointment will end following the registration of the notice by the Registrar of Companies.

### 8 Pre-administration Costs

8.1 Pre-administration costs are defined as

- (i) Fees charged, and
- (ii) Expenses incurred

by the Joint Administrators, or another person qualified to act as an insolvency practitioner before the company entered Administration (but with a view to its doing so), and "unpaid pre-administration costs" are pre-administration costs which had not been paid when the company entered Administration.

8.2 Pre-appointment fees charged and expenses incurred by the administrator are as follows

Charged by	Brief description of services provided	Total amount charged £	Amount paid £	Who payments made by	Amount unpaid £
Royce Peeling Green Limited	Marketing of the company & negotiation of the sale to Premier Courier Services (North West) Ltd	£5,447.50	Nil	n/a	£5,447.50
Taylor's Solicitors	Dealing with associated sale contract	£5,420.00	Nil	n/a	£5,420.00

8.3 Royce Peeling Green Limited ("RPG") were engaged by the Company to provide advice on the financial position of the Company and appropriate insolvency procedures. In addition, RPG conducted a sales and marketing exercise and negotiated the pre-packaged sale of the business.

8.4 Time costs incurred by RPG in the period before appointment amount to £5,447.50 representing 24.75 hours at an average hourly rate of £220.10.

8.5 Taylor's Solicitors were engaged to prepare the sale agreement and other documents associated with the appointment of the Joint Administrators. Their costs for dealing with this matter amount to £5,370 plus VAT and disbursements of £50.

8.6 The payment of the unpaid pre-administration costs set out above as an expense of the Administration is subject to the approval of creditors, separately to the approval of the Joint

## PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION

Administrators' proposals This approval will be the responsibility of the Creditors' Committee if one is appointed or alternatively by resolution of a meeting of creditors where there is no Committee

### 9 Joint Administrators' Remuneration

9 1 The Joint Administrators' time costs at 27 June 2014 are £5,492 00 This represents 42 10 hours at an average rate of £130 45 per hour As noted in the Proposals section above, the Joint Administrators are seeking to fix the basis of their remuneration by reference to the time properly spent by him and his staff in managing the Administration Appropriate approval will be sought as outlined in section 6 of this report

9 2 A copy of "A Creditors' Guide to Administrator's fees is available on request or can be downloaded from [www.icaew.co.uk/insolvency](http://www.icaew.co.uk/insolvency) If you would prefer this to be sent to you in hard copy please contact Linzi Jamieson of this office on 0161 608 0000

Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade to the above date

9 3 Attached as Appendix D is additional information in relation to my firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade

### 10 Estimated Outcome

10 1 An estimate of the outcome of the Administration as at 27 June 2014 is attached as Appendix E This indicates that there will be funds available for a distribution to unsecured creditors

10 2 Based on the directors' Estimated Statement of Affairs attached to this report the estimated value of the unsecured creditors is £313,830

10 3 The Company granted a floating charge to LTSB on 17 October 2007 and Factor 21 (North) Limited on 22 May 2014 The dates of these floating charges mean that the prescribed part is applicable however neither of the secured creditors are owed any money Therefore all funds realised in the Administration, after the expenses of the Joint Administrators will be available to unsecured creditors

10 4 Based on present information, I estimate funds available to creditors to be £11,974 which may provide a dividend to unsecured creditors of approximately 3p in the £

## PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION

### 11 Next Report



The Joint Administrators are required to provide a progress report within one month of the end of the first six months of the Administration

### 12 Meeting of Creditors

12 1 An initial meeting of the Company's creditors is being convened to approve the Administrator's proposals. The meeting will be held on 17 July 2014 at 11 00am at Royce Peeling Green Limited, The Copper Room, Deva Centre, Trinity Way, Manchester, M3 7BG

12 2 Further information on the meeting is contained in the letter accompanying this report

For and on behalf of  
Premier Transport Services Ltd

  
 **A B Coleman**  
Joint Administrator

Enc

**PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION**

**Receipts and Payments Account for the Period from 5 June 2014 to 27  
June 2014**

**Appendix A**

Premier Transport Services Ltd  
(In Administration)

Income and Expenditure Account  
05 June 2014 to 27 June 2014

<b>INCOME</b>	<b>Total (£)</b>
Goodwill	1,000 00
Surplus from Book Debts Ledger	15,069 10
	<hr/>
	<b>16,069.10</b>
	<hr/>
<b>EXPENDITURE</b>	
	<hr/>
	<b>0 00</b>
	<hr/>
<b>Balance</b>	<b>16,069.10</b>
	<hr/>
<b>MADE UP AS FOLLOWS</b>	
Bank 1 Current	16,069 10
	<hr/>
	<b>16,069.10</b>
	<hr/> <hr/>

**PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION**

**Summary of the Directors' Statement of Affairs of the Company as at  
27 June 2014**

**Appendix B**

## Statement of affairs

Name of Company Premier Transport Services Ltd	Company number 03546688
In the Manchester District Registry [fill name of court]	Court case number 2686 of 2014

(a) Insert name and address of registered office of the Company

Statement as to the affairs of (a) Premier Transport Services Ltd, The Copper Room, Deva Centre, Trinity Way Manchester

(b) Insert date

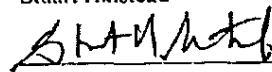
on the (b) 5 June 2014, the date that the company entered administration

### Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 5 June 2014, the date that the company entered administration

Full name Stuart Halstead

Signed



Dated

23 June 2014



## A - Summary of Assets

Assets

Assets subject to fixed charge:

GOODWILL

TRADE DEBTORS

FACTOR 21 (NORM) LTD

Assets subject to floating charge.

CASH AT BANK

Uncharged assets.

Estimated total assets available for preferential creditors

Book Value £	Estimated to Realise £
	12000
	169,924
	(124,880)
	57,044
	109
	57,153

Signature

S. J. H. H. H. H. H. Date 26/6/14

# A1 – Summary of Liabilities

	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£ 57,153
<b>Liabilities</b>	
Preferential creditors -	
Estimated deficiency/surplus as regards preferential creditors	£
Estimated prescribed part of net property where applicable (to carry forward)	£
Estimated total assets available for floating charge holders	£
Debts secured by floating charges	£
Estimated deficiency/surplus of assets after floating charges	£
Estimated prescribed part of net property where applicable (brought down)	£
Total assets available to unsecured creditors	£ 57,153
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£ 38,830
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£ 256,677
Shortfall to floating charge holders (brought down)	£
Estimated deficiency/surplus as regards creditors	£ 100
Issued and called up capital	£
Estimated total deficiency/surplus as regards members	£ 256,777

Signature Shahid

Date 26/6/14

**PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION**

**Time Analysis for the Period from 5 June 2014 to 27 June 2014**

**Appendix C**

PRIMIER TRANSPORT SERVICES LIMITED - IN ADMINISTRATION

APPENDIX C

Time spent by grade for the Pre-Appointment period to 22 April 2014 4 June 2014

	Office Holder £	Manager £	Administrator £	Support £	Total Hours	Total Cost £	Average Rate £
Statutory & Compliance	15 50	0 25	-	-	15 75	3,917 50	248 73
Creditor Communications	-	-	-	-	0 00	0 00	0 00
Employee Issues	-	-	-	-	0 00	0 00	0 00
Realisation of Assets	-	9 00	-	-	9 00	1,530 00	170 00
<b>Total hours/Cost</b>	<b>15.50</b>	<b>9 25</b>	<b>0 00</b>	<b>0 00</b>	<b>24.75</b>	<b>5,447 50</b>	<b>220 10</b>

Time spent by grade for the Post-Appointment period from 5 June 2014 to 27 June 2014

	Office Holder £	Manager £	Administrator £	Support £	Total Hours	Total Cost £	Average Rate £
Statutory & Compliance	2 00	9 50	13 00	0 60	25 10	3,366 00	134 10
Creditor Communications	0 00	3 00	12 00	-	15 00	1,626 00	108 40
Employee Issues	-	-	-	-	0 00	0 00	0 00
Realisation of Assets	2 00	-	-	-	2 00	500 00	250 00
<b>Total hours/Cost</b>	<b>4.00</b>	<b>12 50</b>	<b>25 00</b>	<b>0.60</b>	<b>42.10</b>	<b>5,492 00</b>	<b>130.45</b>

**Additional Information in Relation to Administrator's Fees Pursuant to Statement of Insolvency Practice 9**

**Appendix D**

**1 Policy**

Detailed below is this firm's policy in relation to

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

**1.1 Staff Allocation and the use of Sub-contractors**

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

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. Our charge out rate schedule below provides details of all grades of staff and their experience level.

We are not proposing to utilise the services of any sub-contractors in this case.

**1.2 Professional Advisors**

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

<b>Name of Professional Advisor</b>	<b>Basis of Fee Arrangement</b>
Taylor's Solicitors (legal advice)	Hourly rate and disbursements
March Limited (Premium Bond)	Scale Rate

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

## PREMIER TRANSPORT SERVICES LTD - IN ADMINISTRATION

### 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.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

## 2 Charge-out Rates

A schedule of Royce Peeling Green Limited charge-out rates for this assignment is detailed below.

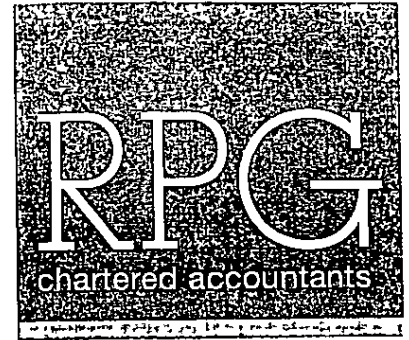
	(Per hour) £
Office Holder	250
Manager	170
Administrator	93
Support Staff/Cashier	50-70

Please note that this firm records its time in minimum units of 6 minutes.

## Estimated Outcome Statement as at 24 June 2014

## Appendix E

	Estimated to Realise (£)
<b>Assets</b>	
Goodwill	11,500
Furniture and equipment	500
Book debt surplus	15,609
	<b>28,109</b>
Less	
<b>Costs of Administration</b>	
Pre administration costs	10,000
Administrators fees	5,000
Statutory advertising	300
Specific Bond	135
Administrators disbursements	200
Postage and stationery	500
	<b>16,135</b>
Funds available to unsecured creditors	11,974
Unsecured Creditors	
HM Revenue & Customs	94,998
Trade and expense creditors	218,832
	<b>313,830</b>
Estimated dividend	<b>3 82p/£</b>



Our Ref ABC/RMW/JW/LJ/DAB/ADM307A/PR514

Your Ref

10 June 2014

**TO ALL KNOWN CREDITORS**

**Royce Peeling Green Limited**  
The Copper Room  
Deva Centre  
Trinity Way  
Manchester  
M3 7BG

**T 0161 608 0000**  
**F 0161 608 0001**  
**E info@rpg.co.uk**

**www.rpg.co.uk**

Dear Sirs

**Premier Transport Services Ltd - In Administration (the Company)**

I am writing to advise you that I, together with my partner Roderick Michael Withinshaw, was appointed Joint Administrator of the Company on 5 June 2014. We are licensed to act in the United Kingdom as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. Attached is formal notice of my appointment - Form 2 12B.

I am required to advise you that a sale of the Company's business and assets was concluded on 6 June 2014 to Premier Courier Services (North West) Limited. A pre-packaged sale was considered necessary in order to obtain value from the goodwill of the Company and protect the book debt ledger. In agreeing to the pre-packaged sale, I can confirm that I have considered the purpose of the Administration and the fulfilment of my statutory obligations to creditors under paragraphs 3(2) and 3(4) of Schedule B1 to the Insolvency Act 1986.

Attached at Appendix A is further information in relation to the pre-packaged sale which provides a detailed explanation of the circumstances surrounding it.

Please provide details of the amount owing to you as at the date of appointment. If you contend that you hold any form of security or reservation of title, would you please forward details in writing to me as soon as possible.

Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 of the Value Added Tax Act 1994. 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. Insolvency Practitioners have no role in administering VAT bad debt relief. Creditors who are uncertain how to claim should contact their VAT office or take professional advice.

Administrators have a duty to consider the conduct of those who have been directors of the Company at any time during the last three years, in particular whether any civil proceedings should be taken against the directors or others for the recovery of, or contributions to, the Company's assets.

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Taking the long view since 1911

Registered in England and Wales No 04816267 VAT No 851 2402 59  
Registered Office The Copper Room Deva Centre, Trinity Way Manchester M3 7BG  
A list of directors is available from the company's registered office

Roderick Michael Withinshaw and Alan Brian Coleman are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales

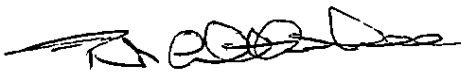
The affairs, business and property of the Company are being managed by the Joint Administrators who act as agents of the Company and without personal liability



Creditors are invited to provide information on any concerns regarding the way in which the Company's business has been conducted, and on potential recoveries for the estate. If you have any matters you wish to bring to my attention, please forward details to me or alternatively complete the attached questionnaire

If there is any further information or explanation you require in the first instance please contact Julie Webster on 0161 608 0000

Yours faithfully  
For and on behalf of  
Premier Transport Services Ltd



*for* **A B Coleman**  
Joint Administrator

Enc

The Insolvency Act 1986

# Notice of administrator's appointment

Name of Company Premier Transport Services Ltd	Company number 03546688
In the Manchester District Registry	[full name of Court] Court case number 2686 of 2014

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

I/We (a)


Alan Brian Coleman  
 Royce Peeling Green Limited  
 The Copper Room  
 Deva Centre  
 Trinity Way  
 Manchester  
 M3 7BG

Roderick Michael Withinshaw  
 Royce Peeling Green Limited  
 The Copper Room  
 Deva Centre  
 Trinity Way  
 Manchester  
 M3 7BG

give notice that ~~I was~~ we were appointed as administrator(s) of the above company on

(b) Insert date

(b) 05/06/2014

Signed   
 Dated 6/6/2014

Joint / Administrator(s) (IP No(s) 009402 008014

### 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.

Alan Brian Coleman Royce Peeling Green Limited The Copper Room Deva Centre Trinity Way Manchester M3 7BG	0161 608 0002 DX Exchange
DX Number	

Companies House receipt date barcode

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

## **Appendix A**

### **Premier Transport Services Ltd - In Administration (the Company)**

Where a sale of all or part of a company's business or assets is negotiated with a purchaser prior to the appointment of an Administrator and the Administrator effects the sale immediately on, or shortly after appointment, this is known as a pre-packaged sale

In this case, the Administrator considered a pre-packaged sale to be necessary in order to provide continuity of service to customers thereby preserving value in the Company's book debt ledger and extracting value from the goodwill of the Company

Set out below is further information containing a summary of the circumstances relevant to the pre-packaged sale of the Company's business and assets to Premier Courier Services (North West) Limited in accordance with the provisions of Statement of Insolvency Practice 16

### **Events leading up to Administration**

The Company was incorporated in 1998 and traded as a freight forwarding brokerage business. The Company operated from leasehold premises in Haslingden, Lancashire. The Company owned only basic office equipment which enabled it to assess customers' freight transportation requirements and source third party hauliers and couriers to meet these requirements.

Over the past two years the Company has suffered a number of significant bad debts resulting in trading losses. Over this period, as a result of cashflow constraints stemming from limitations being applied to the Company's invoice discounting facility, the Company has been unable to keep up to date with payments due to H M Revenue and Customs and other creditors. A warning of winding up action was received from H M Revenue & Customs at the beginning of May 2014 following which the directors sought insolvency advice.

### **Source of the initial introduction and extent of the Administrator's involvement prior to appointment**

During April 2014, the Company began to experience significant creditor pressure and sought the advice of their accountants, AMC Connections. The accountants referred the Company to Royce Peeling Green Limited to obtain insolvency advice. No fees have been paid to AMC Connections by Royce Peeling Green Limited or the Company in respect of this referral. At a meeting held on 8 April 2014, Alan Coleman of Royce Peeling Green Limited provided some initial advice on the options available to the Company.

Following the initial meeting, further discussions were held with the Board in relation to the Company's financial position. On 22 May 2014, the Board resolved to place the Company into Administration and filed in Court a Notice of Intention to Appoint Alan Coleman and Roderick Withinshaw of Royce Peeling Green Limited as Administrators. Subsequent to the filing of this notice, Royce Peeling Green Limited carried out a sales and marketing exercise followed by the preparation and negotiation of the sale and purchase agreement.

The Administrator does not believe that there is any significant personal or professional relationship between the Company or its directors and Royce Peeling Green Limited and carried out the appropriate conflict review prior to accepting the appointment.

### **Alternative courses of action considered by the Administrator**

The following courses of alternative action were considered with management prior to the Administrators' appointment and the pre-packaged sale.

- Sale of assets by the Administrators after a period of trading

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

- Distressed sale of the business and assets as a going concern by management
- Liquidation and subsequent forced sale of the Company's assets

### **Trading the business**

Trading in Administration was not considered to be an appropriate course of action for the following reasons

- The nature of the Company's business meant that customers' goods would be in transit at the date and time of the Administrators' appointment. Unpaid hauliers would be likely to exercise liens over the goods in transit which would result in counter claims being raised by customers therefore affecting book debt recoveries
- Significant professional fees would be incurred in trading the business, by the Joint Administrators and also legal advisors that would need to be engaged to deal with any warehouseman's liens exercised as mentioned above
- The Company's primary asset is goodwill arising from the Company name and customer base and the value of goodwill would undoubtedly deteriorate during an Administration trading period
- Customers may have looked to re-source their freight transportation services during a period of trading in Administration given uncertainty as to whether or not the Company would be able to provide ongoing services

There were no requests made to potential funders for working capital on the basis that this option was not considered to have resulted in any better outcome for creditors

### **Other alternative courses of action**

A distressed sale of the assets by management was considered however it was noted that this could not result in a better financial outcome for creditors on the basis that the value of assets was not sufficient to repay the Company's creditors. An insolvency process was required and the Company was in need of the protection of the interim moratorium that was provided by the filing of the Notice of Intention to Appoint Administrators given the warning of winding up action issued by H M Revenue & Customs

Liquidation of the Company was considered but was not expected to result in a better financial outcome for creditors for the following reasons

- Cessation of trade would have resulted in lower debtor recoveries because customers would have no continuity of service and there was a risk of freight being held by third party hauliers exercising liens in respect of unpaid invoices
- The pre-pack administration has led to a recovery in respect of goodwill arising from the Company name and the customer base which would not have existed in a liquidation scenario

### **Comparative outcome**

The Administrator is satisfied that the sale of the Company's assets under the terms of the pre-packaged sale has resulted in the best outcome for creditors in the circumstances. The following indicates a comparative outcome with a sale of the Company's assets in liquidation or through a restricted marketing period post administration

Details of Assets	Sale in Liquidation/under Restricted Marketing conditions £	Pre-packaged sale in Administration £
Equipment	200	500
Goodwill	NIL	11,500
Equity from Debtors	NIL	15,069*

\*Plus 50% of debtors over 90 days old which total £15,000

Equipment of the Company consisted only of a small number of desks and chairs and computers and telephones. In a liquidation scenario the costs of removal and sale of these assets would be likely to outweigh the sale value.

As noted above there would be no value in the goodwill of the Company in a liquidation scenario.

In liquidation equity in the book debt ledger would not have been expected because recoveries are likely to have been lower given the risk of counter claims that customers may have had as a result of possible liens over goods in transit. Termination fees raised by the Company's factoring company would also have been significant.

#### Marketing activities conducted by the Company and/or the Administrator

An advert for the sale of the business and assets, detailing turnover achieved over the past two years, the date that the Company was established and a summary of assets available for sale, was placed on business sale websites administered by ES Group (Edward Symmons are a national firm of Chartered Surveyors) and TP Deals (a specialised website that markets businesses for sale) on 29 May 2014. The advert was also placed on the business networking website, LinkedIn. There were no enquiries forthcoming from these adverts.

#### Valuations obtained of the business or the underlying assets

The physical assets of the Company were limited and consisted of 4 work stations including 3 computers and a server which are all relatively old with little resale value. On this basis a valuation of the physical assets was not commissioned as the cost of valuing the assets was likely to exceed the value of the assets.

#### Details of the assets sold and the nature of the transaction

The business and assets were sold on 6 June 2014 to Premier Courier Services (North West) Limited ("the Purchaser"). Stuart Halstead, a director and shareholder of the Company, is a director and shareholder of the Purchaser together with his wife Shauna Halstead. Shauna Halstead was an employee of the Company.

Factor 21 (North) Limited ("Factor 21") was granted a debenture by the Company on 22 May 2014. We understand that Factor 21 Limited will be providing finance to the Purchaser under the terms of a factoring agreement.

The assets that were sold and consideration paid are detailed overleaf.

	<u>Consideration (£)</u>
Office furniture and equipment	500
Goodwill, business name and commercial information	11,496
Contracts, work in progress, intellectual property rights, IT system	4
<b>Total</b>	<b><u>12,000</u></b>

The sum of £1,000 was paid on completion and the remaining £11,000 is to be paid on a deferred basis at a rate of £1,000 per month for 11 months. Mr Halstead and his wife have provided a personal guarantee in respect of the deferred balance.

In addition to the sale of assets, the sale agreement provided for the sale of the Company's book debt ledger, subject to the Purchaser assuming the obligation of the Company to pay the debt owed to Factor 21. In consideration of this part of the sale, Factor 21 have paid £15,069 representing the equity in the book debt ledger at the date of appointment.

The equity in the ledger has been calculated after making a provision for aged and disputed debts amounting to £14,950. The Joint Administrators have entered into an agreement with Factor 21 whereby the Joint Administrators will be entitled to 50% of any recovery made in relation to these debts.

#### **Consultation with major creditors**

During the period prior to the sale, RPG discussed the proposed strategy with the Company's secured creditor, Factor 21. Due to time constraints, it was not possible to consult with any of the major unsecured creditors.

#### **Guarantees and Financiers**

The Company historically operated an invoice discounting facility with Lloyds TSB Commercial Finance ("LTCF") who held a fixed and floating charge over the assets of the Company dated 17 October 2007.

In preparation for the pre-packaged sale, the Purchaser explored other financing options and decided to enter into a factoring agreement with Factor 21. In order to eliminate confusion associated with pre and post administration debtor ledgers, Factor 21 agreed to repay the debt owed to LTCF and take ownership of the Company's existing book debt ledger. This refinance took place on 22 May 2014.

**Creditor Questionnaire**  
**Investigation into the Affairs of**  
**Premier Transport Services Ltd – In Administration (the Company)**

Creditor's Name and Address	
Estimated value of your claim	£
If the estimated claim exceeds the credit limit, on what basis or terms was the additional credit allowed?	
Please provide details of any comfort, security or assurance given to you by the Company to allow the continuance of credit	
When did you first become aware of difficulties in getting payment from the Company and what was the evidence of this? (eg, extended credit, lump sum payments, dishonoured cheques)	

/Cont

<p>Please provide details (including dates) of any Writs, summons, decrees or other legal action you took to recover your debt from the Company</p>	
<p>Please provide details of any cheques which were dishonoured, including dates and amounts</p>	
<p>Are there any particular matters you feel should be reviewed or are you aware of any potential recoveries for the estate which I should investigate as Administrator? If so, please provide brief details</p>	

Date \_\_\_\_\_

Signature \_\_\_\_\_

Print name \_\_\_\_\_

Position \_\_\_\_\_