

AM03

Notice of administrator's proposals



Companies House

SATURDAY
WED



A10 *A868IVBT*
25/05/2019 #236
COMPANIES HOUSE
A30 *A84JBYJU*
01/05/2019 #182
COMPANIES HOUSE

1 Company details

Company number 0 3 6 3 2 0 0 0

Company name in full Beamish Transport Ltd

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Eric

Surname Walls

3 Administrator's address

Building name/number C12 Marquis Court

Street Marquisway, TVTE

Post town Gateshead

County/Region

Postcode N E 1 1 0 R U

Country

4 Administrator's name

Full forename(s) Wayne

Surname Harrison

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address

Building name/number C12 Marquis Court

Street Marquisway, Team Valley

Post town Gateshead

County/Region

Postcode N E 1 1 0 R U

Country

② Other administrator
Use this section to tell us about
another administrator.

AM03

Notice of Administrator's Proposals

6

Statement of proposals



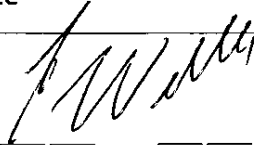
I attach a copy of the statement of proposals

7

Sign and date

Administrator's
Signature

Signature
X



X

Signature date

^d2

^d9

^m0

^m4

^y2

^y0

^y1

^y9

**Beamish Transport Limited – In Administration (“the Company”)
In the High Court, Business & Property Courts, No 000040 of 2019**

1. Introduction

- 1.1 As creditors are aware I, Eric Walls, was appointed Joint Administrator of the above Company along with Wayne Harrison on 8 March 2019. The appointment was made by the directors of the Company under paragraph 29 of Schedule B1 of the Insolvency Act 1986 (as amended) (“the Act”). For the purposes of paragraph 100(2) of Schedule B1 of the Act either Joint Administrator may exercise the powers conferred on them acting jointly or individually.
- 1.2 In accordance with paragraph 49(1) of Schedule B1 of the Act I set out below the Joint Administrators’ proposals for achieving the purpose of the Administration.
- 1.3 The following reports will be referred to throughout this report and are available to be viewed on our website using the links provided:

1.3.1 Administrators’ Notice of Appointment dated 11 March 2019

All reports and notices that have been issued by the Administrators can be viewed and downloaded at <https://www.ksagroup.co.uk/gateshead-notices/beamish-transport-limited/>

Details for accessing these documents, including the necessary password, were provided to all known creditors on 11 March 2019.

- 1.4 A hard copy of these documents will be posted to any creditor upon request. Any requests should be made to Craig Harmon who can be contacted by telephone on 0191 482 3343, by e-mail to insolvency@ksagroup.co.uk or by post to our Gateshead Office address.

2. Summary of Position

- 2.1 This is the Statement of Joint Administrators’ Proposals (“the Proposals”) for the Company, prepared pursuant to paragraph 49 of Schedule B1 of the Act, which requires the Joint Administrators to provide creditors with details of their Proposals for achieving the purpose of the Administration.
- 2.2 The purpose of the Administration will be to achieve a better result for the Company’s creditors as a whole than liquidation.
- 2.3 On current information, the Administrators expect that the duration of the Administration will not exceed 12 months and it is anticipated that the Company will be placed into creditors’ voluntary liquidation. We anticipate the following outcome for each class of creditor:
- Secured Creditors have received or will receive payment in full mainly via their fixed charge (see section 8);
 - It is anticipated that the claims of preferential creditors will be paid in full;
 - It is anticipated that there may well be a dividend to unsecured creditors (see section 9) although, at this stage, it is not possible to estimate the level or timing of any possible return to unsecured creditors;
 - There will be no return to shareholders.
- 2.6 As noted, it is anticipated that the Company will have sufficient property to enable a distribution to be made to unsecured creditors. As a result, and in accordance with Rule 3.38(2) of the Insolvency (England & Wales) Rules 2016 (“the Rules”), the Joint Administrators are to convene a virtual meeting of creditors to consider these Proposals.
- 2.9 The following information is included in this report:
- Background / Events leading up to the appointment of the Administrators;
 - Progress of the Administration to Date;
 - The Joint Administrators Proposals
 - Appendices.

3. Statutory and Other Information

- 3.1 Statutory Information relating to the Company, which has been taken directly from the Company's records, or the records maintained by the Registrar of Companies, is detailed at appendix 1.

4. Background / Events leading up to the appointment of the Administrators

- 4.1 The history and events leading to the appointment of the Administrators are summarised below.
- 4.2 The Company had previously entered into a Company Voluntary Arrangement ("CVA") in January 2004, with Mr Eric Walls, then of Marlor Walls & Co, acting as CVA supervisor. The CVA was successfully concluded in 2008. Since then the business has traded well and profitably until the 2017/18 financial year.
- 4.3 Over the last two years, the car sector has been hit by lower volumes and fierce competition due to over-supply and lower demand for vehicle movements. Arguably as a result of Brexit uncertainty, in 2018 the company's turnover fell by some 20% and it became loss-making as margins reduced. As a result the Company had again come under significant financial pressure and had fallen behind with its obligations to creditors.
- 4.4 The directors of the Company approached KSA Group Ltd in December 2018 to discuss the Company's financial position and the options available to them. Shortly after this meeting a potential purchaser approached the directors and a proposed share purchase was discussed. This was expected to conclude in January 2019 but the proposed sale could not be completed.
- 4.5 After considering the position further, the directors resolved that a sale of the shares was unlikely to complete in the short term. Therefore, the directors resolved that the Company should be placed into Administration to protect its assets and to explore a sale of the business as a going concern.
- 4.6 Accordingly, on 28 January 2019, the directors engaged KSA Group Ltd to assist with the formalities of placing the Company into Administration.
- 4.7 On 1 February 2019, in order to both explore a potential sale and protect the Company from likely enforcement action by creditors, the directors filed a notice of intention to appoint Administrators ("NOI"), which granted an interim moratorium over the Company.
- 4.9 A valuation of the business and assets was undertaken by Charterfields Limited ("Charterfields") and they marketed the business for sale using various websites, databases and a targeted approach to potential purchasers in this particular market.
- 4.10 On 15 February 2019, the directors filed a further NOI to allow the Company and its advisors additional time to explore the sale of the business and to discuss the position further with the Company's secured creditors. A number of parties showed interest in purchasing the business as a going concern, and one particular expression of interest led to detailed discussions. Unfortunately, this offer could not be successfully concluded.
- 4.11 Shortly prior to Administration the Company defaulted on a payment due to a finance company who then issued a termination notice in respect of their agreement, which covered most of the Company's vehicle fleet. Approximately 40 of the company's vehicles were disposed of to a non related national vehicle movement company. For the sake of clarity, this was a sale of assets to a third party which was undertaken by the finance company. This **was not** a sale by Administrators on a pre-packaged basis.
- 4.12 As the majority of the vehicle fleet had been disposed of, a sale as a going concern could not be concluded. Administrators were appointed on 8 March 2019, a further NOI having being filed on 1 March 2019. All employees were made redundant upon the appointment of the Administrators and the Company effectively ceased trading.

5. Progress of the Administration: Events since the appointment of the Administrators and disposal of assets

- 5.1 In the run up to their appointment, the Joint Administrators, through their agents, marketed the business with a view to achieving a sale of the whole of the business and its assets, the continued employment of staff, and the novation of any of the Company's ongoing finance agreements. A suitable offer for the whole of the business was not received, and as noted above, the majority of the vehicle fleet was disposed of prior to Administration.
- 5.2 On the basis that the Company could not be saved, the Administrators concluded that the purpose of Administration should be to realise the Company's property in order to better the position of creditors

The main focus at that stage was to collect historical debt to protect the debtors' ledger from decay and to deal with the residual vehicle fleet and other assets.

- 5.3 As noted above, the finance company disposed of the majority of the vehicle fleet as it had issued a termination notice in respect of the finance agreement. This transaction took place while an NOI, referred to earlier, was in force and this is now subject to review by the Administrators.
- 5.4 The Administrators have, with the assistance of the directors, continued to collect book debts due to the Company at the time of Administration. Realisations to date have been extremely encouraging and are shown on the attached receipts and payments account. This process is ongoing and will continue.
- 5.5 Following administration the Administrators, through their agents, agreed a sale of the residual assets to D Pickering Ltd, a Company connected to Beamish Transport Ltd by means of a common director and shareholder, namely Mr Darrin Pickering. The sale can be summarised as follows, net of VAT:

	£
Goodwill/Brand Name/IPR	1,000.00
Vehicles (net of outstanding Hire Purchase)	22,313.80
Fixtures, Fittings, Plant etc.	15,000.00
	38,313.80

For the avoidance of doubt, D Pickering Ltd also purchased a number of vehicles directly from the finance company referred to earlier in this report. The Administrators were not involved in this transaction.

- 5.6 The agreed sales consideration of £38,318 (£66,000 net of HP outstanding of £27,686) shown above is to be paid as follows, all payments are shown inclusive of VAT;

	£
Due upon completion	8,513.80
No later than 11/05/2019	8,600.00
No later than 11/06/2019	8,600.00
No later than 11/07/2019	8,600.00
No later than 11/08/2019	8,600.00
No later than 11/09/2019	8,600.00

- 5.7 For the avoidance of doubt this was not a "pre packaged" sale and the agreement was not reached until very recently. Charterfields, the agents advising the Administrators, confirmed that the sale represented the optimum return for creditors, as it avoided the costs of retrieving, storing and auctioning the assets. All of the above figures are net of VAT where appropriate.
- 5.8 In our professional opinion the points noted above detail how the purpose of the administration has been or will be achieved. However, for the avoidance of doubt, the main points are:
- Better realisations than would have been achieved in liquidation
 - Improved position as regards the general body of creditors
 - Realising property in order to make a payment to one or more secured creditor and the preferential creditors.

6. Receipts and Payments Account

- 6.1 Attached to this report (Appendix 2) is a receipts and payments account for the period 8 March 2019 to 29 April 2019.

7. Statement of Affairs

- 7.1 Formal notice requiring a statement of affairs has been issued to the directors. The statement of affairs was sent to the Registrar of Companies on 11 April 2019. We anticipate this will be filed by the Registrar shortly.
- 7.2 The statement of affairs of the Company is summarised at appendix 3 and the Joint Administrators would comment on the summary as follows:
- The amounts stated as being due to creditors have been taken from the books and records of the Company and from information supplied by the creditors themselves.
 - The statement takes no account of the costs and expenses of the Administration

8. Registered Charges

8.1 The Company had the following registered charges at the date of Administration:

<u>Charge Holder</u>	<u>Type of Charge</u>	<u>Date Registered</u>	<u>Brief Description</u>
Handelsbanken Finans Ab (Publ)	Debenture: Fixed and Floating	28 September 2016	All property and assets of the Company
Svenska Handelsbanken Ab (Publ)	Debenture: Fixed and Floating	23 August 2016	All property and assets of the Company

8.2 In addition to the above, there are also a number of charges in favour of Barclays Bank plc. It is understood that these charges are all historical and there are no liabilities due to Barclays Bank plc which may fall subject to any of these charges.

9. Prescribed Part

9.1 Section 176A of the Act, provides that the Administrators must make a Prescribed Part of the Company's net property available to the unsecured creditors.

9.2 As noted in section 8.1 above, the Company has a number of outstanding registered charges. However, it is not anticipated that the prescribed part will apply as all secured creditors have been or will be repaid in full.

10. Preferential Creditors

10.1 The only known preferential creditors in this Administration are The Redundancy Payments Directorate ("RPD"), in respect of monies paid to employees for arrears of wages and holiday pay and certain further claims from the employees themselves.

10.2 It is anticipated that preferential creditors will be paid in full, however the final level and timing of any dividend cannot be guaranteed at this stage.

10.3 The claims of preferential creditors are estimated to be in the region of £73,801.73.

11. Unsecured Creditors

11.1 A summary of the Company's statement of affairs attached to this report at Appendix 3 lists the names and addresses of all known creditors and the amounts due to them.

11.2 It is anticipated that the Company will have sufficient property to allow a distribution to be made to the unsecured creditors. The level of that dividend will be dependent upon the level of realisations achieved and the eventual level of claims agreed. Should a dividend become payable, the Administrators will exit Administration by entering a creditors' voluntary liquidation as is outlined in the Proposals below (Section 13).

12. Objectives of the Administration

12.1 The Administrators of a Company must perform their functions with the objective of:

- a) rescuing the Company as a going concern (paragraph 3(1)(a) of Schedule B1 of the Act), 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) (paragraph 3(1)(b) of Schedule B1 the Act), or
- c) realising property in order to make a distribution to one or more secured or preferential creditors (paragraph 3(1)(c) of Schedule B1 of the Act)

12.2 The Administrators believe that the objectives set out in paragraph 3(1)(a) of Schedule B1 of the Act could not be achieved. The Company could not continue to trade as a result of its liabilities, lack of working capital and the withdrawal of interest from a potential buyer (see section 4.4).

12.3 As a result of the matters set out earlier in this report, it is the opinion of the Administrators that the objectives set out in paragraph 3(1)(b) and 3(1)(c) of Schedule B1 of the Act have been or will be

achieved. The Administration has allowed funds to be realised from the Company's book debts which, had the Company simply been wound up, may well have proved difficult. Residual assets have also been disposed of, avoiding the costs of removal, storage and auction, thereby fulfilling objective b above.

- 12.4 The Company's secured creditors have been repaid from realisations as referred to above, therefore, the objective detailed in paragraph 3(1)(c) has been achieved.

13. The Joint Administrators' Proposals

- 13.1 It is our intention to summon a virtual meeting of creditors to consider the following Proposals.

13.1.1 That the Administrators continue to manage the affairs of the Company in order to achieve the purpose of the Administration by continuing to collect the remaining book debts due, as well as collect the deferred consideration from the sale of the Company's residual assets.

13.1.2 The Administrators do all such things and generally exercise their powers as Administrators as they consider desirable or expedient in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or maximise realisation of those assets, or for any other purpose incidental to these proposals.

13.1.3 That the costs and expenses of the Administration are paid in full, including Administrators' remuneration in accordance with rule 18.16(2) of the Rules. Please refer to Section 14 and appendix 4 for further details.

13.1.4 Once the costs and expenses of the Administration have been settled, that any surplus funds be paid to preferential creditors.

13.1.5 As is expected, should sufficient funds be realised to allow the payment of any dividend to unsecured creditors, the Administration will be brought to an end by a creditors' voluntary liquidation in accordance with paragraph 83 of schedule B1 of the Act. In such circumstances it is proposed that Eric Walls and Wayne Harrison be appointed Joint Liquidators. In accordance with paragraph 83(7) of Schedule B1 of the Act and Rule 3.60(6) of the Rules creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these proposals but before the Proposals are approved at the virtual meeting.

13.1.6 In the event that insufficient funds are realised to allow a dividend to unsecured creditors then as soon as the Administrators are satisfied that they have fully discharged their duties and that the purpose of the Administration has been achieved, the Administration will be brought to an end by moving to dissolution of the Company in accordance with paragraph 84 of schedule B1 of the Act.

13.1.7 On the Administrators ceasing to be Administrators of the Company they will be discharged from liability in respect of any action of theirs as Administrators, pursuant to paragraph 98 of Schedule B1 of the Act.

14. Administrators' Remuneration

- 14.1 "A Creditors' Guide to Administrators' Remuneration" is available for download at: <http://www.ksagroup.co.uk/downloads/fees-administration.pdf>. Should you require a paper copy, please contact us and one will be provided to you at no cost.

Basis of Administrators' remuneration

- 14.2 Pursuant to Rule 18.16(2) of the Rules, the basis of the Administrators' remuneration may be fixed:

- by reference to time properly given by the insolvency practitioners and their staff in attending to matters as set out in the Fee Estimates, set out at appendix 4;
- as a percentage of the value of the property with which the Joint Administrators have to deal;
- as a set amount; or
- in accordance with Rule 18.18 (3), a combination of the above.

- 14.3 On current information, there will be sufficient funds to enable a distribution to the unsecured creditors.

- 14.4 In accordance with Rule 18.16(6) of the Rules attached at appendix 4 of this report is an estimate of the likely level of costs of the Administrators and their staff in dealing with this Administration. This estimate includes details of the work the Administrators propose to undertake along with details of the expenses the Administrators consider will be, or are likely to be, incurred.

- 14.5 In the absence of a creditors committee, the unsecured creditors will be invited to fix the basis of the Administrators' remuneration in accordance with the scope and assumptions provided to creditors at appendix 4 to these proposals. For the sake of clarity, the Joint Administrators seek to agree that they be authorised to draw their remuneration at the fixed amount of £80,000 (plus VAT).
- 14.6 The fixed fee has been calculated on the assumptions set out in appendix 4 and reflects the work anticipated to be required. Should the scope change or the assumptions prove to be inaccurate the Joint Administrators may request a review of remuneration in accordance with the relevant insolvency legislation.
- 14.7 If the resolution is approved, the Joint Administrators will not be allowed to draw more than the fixed fee of £80,000 (plus VAT) unless they obtain further approval from creditors.
- 14.8 The Joint Administrators are required by statute to carry out much of that work, for example, issuing progress reports to creditors and complying with their obligations under the Company Directors Disqualification Act 1986. Other work will be determined by the particular circumstances of the appointment but may include;
- Reviewing the claims of preferential creditors, including amounts due to the employees, and liaising with the Redundancy Payments Office in respect of those claims.
 - Making a distribution to preferential creditors.
 - Dealing with issues raised by unsecured creditors
- 14.9 For the avoidance of doubt and as noted in section 11.2 of these Proposals, it is anticipated that the Company will have sufficient property to allow a distribution to be made to the unsecured creditors. *In order to allow such a distribution to be made the Administrators will exit Administration by entering creditors' voluntary liquidation.*
- 14.10 The Administrators believe that agreement for a fixed fee will give greater clarity to unsecured creditors as to the likely outcome of the Administration at the time they are being asked to agree the fees
- 14.11 In such circumstances where Joint Administrators becomes Joint Liquidators, the basis of the remuneration fixed under rule 18.18 of the Rules for the Joint Administrators is treated as having been fixed for the Joint Liquidators. It is proposed therefore that the remuneration of the Joint Liquidators will also be on the basis of a fixed fee and that fixed fee will be limited to £20,000 plus VAT.
- 14.12 For the avoidance of doubt, it is intended that the agreed fees will be drawn from the funds held from time to time as and when the Administrators, or Liquidators, deem it appropriate.
- 14.13 For the sake of clarity, failure to reach an agreement on the Administrators' remuneration may lead to further costs being incurred by the Administrators in applying to court under Rule 18.23 of the Rules to agree the basis of their remuneration.
- 14.14 Any unsecured creditor with the agreement of 5% of the total value of unsecured creditors can request further information about the Administrators' remuneration and expenses within 21 days of this report. A creditor with the agreement of 10% of the total value of unsecured creditors can challenge the level of remuneration and expenses within 8 weeks from the date of this report
- 14.15 In accordance with Statement of Insolvency Practice 9, as issued by the Association of Business Recovery Professionals an analysis of the time costs incurred to date in dealing with this Administration is attached to this report. It is the policy of this firm that all members of staff dealing with the Administration of this case charge time that have spent directly to the case.
- 14.16 The charge out rates currently levied by my firm in respect of staff likely to deal with this matter can be summarised as follows:

	Hourly Charge Out Rate
Directors/Insolvency Practitioners	200 – 350
Managers/Senior Administrators	120 – 200
Administrators/Support Staff	50 – 120

Pre-Administration Costs

- 14.17 In accordance with Rule 3.35(10)(a) of the Rules, detailed below through sections 14.13 and 14.15 is a statement of pre-administration costs incurred by the Administrators
- 14.18 In January 2019 the Company engaged KSA to assist in the Administration process. The engagement documentation sets out the following agreed fees:

- Payment to KSA in respect of the pre-appointment work of £20,000 plus VAT for work carried out in assisting the directors in placing the company into Administration.
- Payments on account of £3,000 plus disbursements plus VAT and £5,000 plus disbursements plus VAT respectively via KSA client account in anticipation of valuation agent's costs and legal cost pertaining to the appointment of Administrators.

14.19 Payments have been made prior to administration in respect of the pre-administration costs as follows;

- Legal Fees to Clarke Mairs LLP of £2,500 plus VAT.
- Agents/Valuers Fees to Charterfields Limited of £2,500 inclusive of VAT and disbursements.
- Payment to KSA Group Ltd of £5,000 plus VAT.

14.20 Accordingly £15,000 plus VAT remains due to KSA Group Ltd, £500 to Charterfields and £2,500 to Clarke Mairs LLP in respect of the pre-appointment fees.

14.21 A resolution seeking approval of these costs will be sought at the virtual meeting held on 16 May 2019.

Other Costs

14.22 Post administration legal fees and disbursements estimated at £15,000 plus VAT in total are estimated to be payable to Clarke Mairs LLP for dealing with matters pertaining to the Administrators appointment, advising on book debt recoveries, reviewing the pre-administration sale of vehicles by the finance company, and certain matters within the administration.

14.23 Post administration agents/valuers fees estimated at £12,000 plus VAT are estimated to be payable to Charterfields Limited in respect of work carried out dealing with this Administration. The firm was instructed due to its experience in insolvency matters. This fee is based on the time costs of that firm.

14.24 It is anticipated that a sum of no more than £4,500 inclusive of VAT will be paid to D Pickering Limited in respect of the costs incurred by that company in assisting in collecting the Company's debtor book.

14.25 Additionally, a sum likely to be no more than £4,500 inclusive of VAT will be paid to a business associated with D Pickering in respect of rent incurred during the period of Administration. Payment of rent due falls as an expenses of the Administration.

15. Other Matters

15.1 The E C Regulation 1346/2000 applies as the Company's registered office being the centre of its main interests is situated in a Member State of the EC and Administration is within the definition of insolvency proceedings under Article 2 of the Regulation. For the reasons stated herein it is considered that EC Regulation 1346/2000 on insolvency proceedings will apply and that these proceedings will be main proceedings as defined in Article 3 of the EC Regulations.

15.2 The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional. Work relating to this appointment. A copy of the code is available at: <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code>.

16. Conclusion

16.1 As it is anticipated the Company will have sufficient property to allow a distribution to be made to the unsecured creditors, it is the intention of the Administrators to summon a virtual meeting of creditors.

16.2 Accordingly, a virtual meeting of creditors will be held by means of telephone conference on 16 May 2019 at 11:00am. Further details concerning how to access the meeting have been included on the notice to creditors. A summary of the resolutions to be proposed at the meeting is detailed at appendix 6 to this report.

16.3 Forms of general and specific proxy are attached to this report, together with a proof of debt form.

16.4 Creditors will be kept informed of the progress of the Administration in accordance with Rule 18.6 of the Rules.



Eric Walls
Joint Administrator

29 April 2019

- 1.1 The following information has been taken either from the statutory books of the Company or from information held by the Registrar of Companies:

Company Name:	Beamish Transport Limited		
Trading Name:	Beamish Transport		
Company Number:	03632000		
Date of Incorporation:	16 September 1998		
Registered Office	c/o C12 Marquis Court, Marquisway, Team Valley, Gateshead NE11 0RU, formerly Junction of Burnt House Bank Pelto Fell Road Chester Le Street County Durham DH2 2AG		
Main Trading Address:	Junction of Burnt House Bank Pelto Fell Road Chester Le Street County Durham DH2 2AG		
Principal Activity:	Freight transport by road		
Directors (in the last 3 years):	<u>Name</u>	<u>Appointed</u>	<u>Resigned</u>
	Geoffrey Barlow	1 November 2013	-
	Richard Foster	1 September 2004	-
	Darrin Pickering	16 September 1998	-
	Stephen Fenwick	20 July 1999	31 January 2018
Authorised Share Capital:	300,000 Ordinary Shares of £1 each, all of which have been issued and fully paid.		
Substantial Shareholders:	<u>Name</u>	<u>No. Of Shares</u>	<u>%</u>
	Richard Foster	50,250	17
	Stephen Fenwick	102,000	34
	Darrin Pickering	147,750	49
Names and address of Administrators:	Eric Walls and Wayne Harrison of KSA Group Ltd, C12 Marquis Court, Marquisway, Team Valley, Gateshead, NE11 0RU. In accordance with paragraph 100 of Schedule B1 of the Insolvency Act 1986 (as amended), the Joint Administrators act jointly or solely in all matters pertaining to the Administration.		
Date of Appointment:	8 March 2019		
Court and Court Reference Number:	High Court, Chancery Division No 0000040 of 2019		
Person making the Appointment:	Darrin Pickering a director of the Company by resolution dated 8 March 2019		

Beamish Transport Limited - In Administration

Receipts and Payments Account

Statement
of Affairs

From:
To :

8 March 2019
29 April 2019

Asset Realisations

Realisations subject to a fixed charge		
804,000.00	Book Debts Realisations	863,790.18
(518,773.00)	Less: Amounts due to Secured Creditor	(518,773.00)
	Less: Bank Charges	(12,262.53)
<u>285,227.00</u>	Surplus on Fixed Charge Realisations c/d	<u>332,754.65</u>
Floating Charge Realisations		
	Surplus from Fixed Charge Realisations b/d	332,754.65
	DVLA Refunds	8,856.05
		<u>341,610.70</u>
Other Expenditure		
	Administrators' Specific Bond	720.00
		<u>720.00</u>
BALANCE		<u><u>340,890.70</u></u>
MADE UP AS FOLLOWS		
	VAT Receivable	2,324.40
	Cash at Bank	338,566.30
TOTAL		<u><u>340,890.70</u></u>

NOTES:

1) The above figures are stated net of VAT. The appropriate VAT has been or will be paid over to or reclaimed from H M Revenue & Customs during the course of the Administration.

2) In addition to the amounts shown above, the Company held a modest credit balance in its bank account. However, amounts may be due to the bank in respect of Company credit card payments. The position is estimated to be as set out below,

	£
Cash at bank (est)	1,350.00
Less: Amounts due to Bank	(1,958.02)
Balance due under floating charge	<u>(608.02)</u>

Beamish Transport Limited
Statement Of Affairs as at 8 March 2019

Assets	Book Value £	Estimated to Realise £	£
Assets subject to fixed charge:			
Goodwill / IPR	-	1.00	
Book Debts	989,031.00	804,000.00	
Secured Creditor	(518,733.00)	(518,733.00)	
Surplus c/d to uncharged assets		285,268.00	
Motor Vehicles	93,616.00	62,000.00	
Amount due to finance company - Paccar	(30,186.20)	(30,186.20)	
Surplus c/d to uncharged assets		31,813.80	-
Uncharged assets:			
Surplus b/d from Fixed Charge			285,268.00
Surplus b/d from Hire Purchase Assets			31,813.80
Leasehold Property	127,000.00		-
Plant, Machinery, Fixtures & Fittings	60,143.00		5,000.00
Motor Vehicles not subject to Hire Purchase	10,000.00		10,000.00
Stock/Work in Progress	46,457.00		5,000.00
Sundry Items, Prepayments	32,500.00		1,000.00
Cash at Bank	2,847.03		2,847.03
Estimated total assets available for preferential creditors			340,928.83
Liabilities			
Preferential Creditors:-			
Employee Arrears/Hol Pay - Estimated		73,801.73	
			(73,801.73)
Estimated deficiency/surplus as regards preferential creditors			267,127.10
Debts secured by floating charge pre 15 September 2003			
Other Pre 15 September 2003 Floating Charge Creditors			
			NIL
			267,127.10
Estimated prescribed part of net property where applicable (to carry forward)			
			NIL
Estimated total assets available for floating charge holders			267,127.10
Debts secured by floating charges post 15 September 2003			
			NIL
Estimated deficiency/surplus of assets after floating charges			267,127.10
Estimated prescribed part of net property where applicable (brought down)			
			NIL
Total assets available to unsecured creditors			267,127.10
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade & Expense Creditors		905,213.59	
Employee Redundancy / Pay in Lieu - Estimated		435,688.02	
Associated Creditors		168,516.07	1,509,417.68
Estimated deficiency/surplus as regards non-preferential creditors			(1,242,290.58)
(excluding any shortfall in respect of F.C's post 14 September 2003)			(1,242,290.58)
Estimated deficiency/surplus as regards creditors			
Ordinary Shareholders		300,000.00	
			300,000.00
Estimated total deficiency/surplus as regards members			(1,542,290.58)

Beamish Transport Limited
Statement Of Affairs as at 8 March 2019

B - List of Creditors (Page 1 of 4)

Secured Creditors	Address	£
Svenska Handelsbanken Ab (Publ)	43 Old Elvet, Durham, DH1 3HN	518,733.00
Paccar Financial Ltd	Haddenham Business Park, Pegasus Way, Haddenham, HP17 8LJ	30,186.20
		<u>548,919.20</u>
Preferential Creditors	Address	£
Employee Arrears of Pay / Holiday Pay Accrued - Estimated		73,801.73
		<u>73,801.73</u>
Unsecured Creditors - Trade & Expense	Address	£
Advanced Radiators Ltd	Unit 6, Bell's Close Ind Estate, Lemington, Newcastle upon Tyne, NE15 6UF	684.00
Aggreko UK Limited	Orbital 2, Voyager Drive, Cannock, Staffordshire, WS11 8XP	135.00
And-Trac	14 Highfield, Sunnyside, Newcastle upon Tyne, NE16 5NQ	102.00
Bell Truck Sales Ltd	Bellway Industrial Estate, Whitley Road, Longbenton, Newcastle upon Tyne, NE12 9SW	168.91
Boc	Cust. Serv. Centre, PO Box 6, Priestly Road, Worsley, Manchester, M28 2US	314.39
Back Office Solutions	Unit 24, North East Business & Innovation Centre, Enterprise Park East, Wearfield, Sunderland Tyne and Wear, SR5 2TA	50.41
Buck and Hickman	Unit 4, Tyne Tunnel Trade Park, Narwick Way, Tyne Tunnel Trading Estate, North Shields, Tyne and Wear, NE29 7DE	468.65
Car Trans	Unit C, Spencer Park, Greasebrough Street, Rotherham, South Yorkshire, S60 1RF	505.15
Clientec	Unit 8, Grady's Yard, Ponteland Road, Throckley, Newcastle upon Tyne, NE15 9EP	311.91
Clive Owen Technology Services	140 Coniscliffe Road, Darlington, Co Durham, DL3 7RT	503.10

Beamish Transport Limited
Statement Of Affairs as at 8 March 2019

B - List of Creditors (Page 2 of 4)

Unsecured Creditors - Trade & Expense	Address	£
Colin A Renton Transporter Maintenance Ltd	The Shieling, Drunzie Feus, Glenfarg, PH2 9PE	24.86
C&P Windscreens	9 Follonsby Terrace, West Boldon, NE36 0BZ	624.00
CS Commercial Products Ltd	10 Wells Street, Chelmsford, Essex, CM1 1HZ	795.21
Cotswold Vehicle		635.91
Durham County Council	Civic Centre, Newcastle Road, Chester Le Street, Co Durham, DH3 3UT	-
Dentmagic Southwest Ltd	Unit 3, Whitby Road, Bristol, BS4 3QF	-
Don Lambert Caravan Haul Ltd	3 Hedge Close, Festival Park, Gateshead, NE11 9UG	1,634.40
Driveforce Engineering Ltd	Access 18, Kings Wester Lane, Avonmouth, Bristol, BS11 8AZ	116.10
ECM (Vehicle Del Service) Ltd	Vehicle Delivery Sales, The Airport, Carlisle, Cumbria, CA6 4NW	184.30
Enterprise RAC UK Ltd	Unit 1A, Seacroft Ind Estate, Coal Road, Leeds, LS14 2AQ	1,082.02
Enterprise-Rent-a-Car	Enterprise House, Melburne Park, Vicarage Road, Egham, Surrey, TW20 9JY	393.37
Evans Halshaw Birtley	Barley Mow, Drum Rd, Birtley, Chester Le Street,	4,495.96
Eclipse Telecom		321.79
Firewatch		80.00
Gateshead College	Finance Department, Baltic Campus, Quarryfield Road, Gateshead, Tyne and Wear, NE8 3BE	450.00
Gateway Inspections	24 St. Albans Crescent, Heaton, Newcastle, NE6 5UQ	15.00
Gefco UK Ltd	376/378 Chiswick High Road, Chiswick, London, W4 5FT	-
Grenke Leasing	5th Floor, Saxon House, 3 Onslow Street, Guildford, GU1 4SY	26,496.00
Hudson Hydraulic Engineers Ltd	Unit 6 Sovereign Court, Wyrefields, Poulton Business Park, Poulton-Le-Fylde, Lancs, FY6 8JS	4.80
Harvest Energy Ltd	Harvest Energy, York House, 45 Seymour Street, London, W1H 7JT	48,691.20
Hatfield Audi	174 Great N Rd, Hatfield, AL9 5JN	1,749.07
Hampshire Trust Bank	55 Bishopsgate, London, EC2N 3AS	9,600.00
HM Revenue & Customs	Insolvency Claims Handling Unit, Benton Park View, Longbenton, Newcastle upon Tyne, NE98 1ZZ	733,870.44
Johnsons Apparelmaster Ltd	Kingsway, Team Valley Trading Estate, Gateshead, Tyne and Wear, NE11 0HB	469.80
Jones Truck and Trailer Services Ltd	11 North Brancepeth Close, Langley Moor, Durham, DH7 8LX	344.16
Lookers Ford Chelmsford	30 Robjohns Road, Windford Industrial Estate, Chelmsford, Essex, CM1 3AQ	-
L.R.C. Commercial Ltd	Larkwhistle Farm Road, Micheldever Station, Winchester, Hampshire, SO21 3BG	151.20
Man Financial Services Plc	Frankland Road, Balgrove, Swindon, Wiltshire, SN5 8YZ	174.00
Marquis Suffolk	Farthing Road, Sproughton, Ipswich, IP1 5AP	1,881.60
Natwest	250 St Vincent Street, Glasgow, G2 5SH	324.11
North East Chamber of Commerce	Aykley Heads Business Centre, Aykley Heads, Durham, DH1 5TS	518.40

Beamish Transport Limited
Statement Of Affairs as at 8 March 2019

B - List of Creditors (Page 3 of 4)

Unsecured Creditors - Trade & Expense	Address	£
North East Truck Spares	Unit 1 Parkgate, Hetton Lyons Ind Estate, Hetton Le Hole, Tyne and Wear, DH5 0RH	618.00
NPA Motor Factors Ltd	Unit 2, Newfield Garage, Front Street, Newfield, Chester Le Street, Durham, DH2 2SR	45.31
Pirtek Dundee and Perth	Unit 1, Isla Street, Dundee, DD3 7HT	183.69
Pirtek Exeter and Plymouth	Unit A1, Clarke Centre, Marsh Barton Trading Estate, Hennock Road North, Exeter, EX2 8NU	227.58
Pirtek Gloucester	Unit 2, Oakhill Court, Telford Way, Waterwells Business Park, Gloucester, GL2 2GA	132.32
Pirtek Glasgow	Block 12, Unit 2, Clydesmill Drive, Cambuslang Investment Park, Glasgow, G32 8RG	421.15
Pirtek Hull	Unit 1 & 2 Tadman Street, Hull, HU3 2BH	143.08
Pirtek Leeds	Unit 4 Scala Court, Leathley Road, Hunslet, Leeds, LS10 1BG	390.00
Pirtek Mitcham	Unit 11 Lyongate Enterprise Park, 80 Morden Road, Mitcham, CR4 4NY	272.67
Pirtek Oldham	Unit 1 Pennant Street Ind. Estate, Pennant Street, Oldham, OL1 3NP	291.78
Pirtek Preston	Unit 337 Rangleit Road, Walton Summit, Preston, PR5 8AR	215.70
Metaldance Ltd	T/A Pirtek Swindon, Unit 20 Bridgmead Close, Westmead Industrial Estate, Swindon, SN5 7YT	49.03
Pirtek Swansea	Unit 3 Samlet Road, Llansamlet, Swansea, SA7 9AG	398.69
Pirtek Tyne and Wear	269A Queensway South, Team Valley Trading Estate, Gateshead, Tyne and Wear, NE11 0SD	2,261.36
Westbury Hydraulics	T/A Pirtek Westbury, The Broadway Centre, Headquarters Road, West Wiltshire Trading Estate, Westbury, BA134JY	187.40
Plan Communications Ltd	2nd Floor Capital House, Circular Road, Douglas, Isle of Man, IM1 1AG	2,050.35
Port of Blyth	Blyth Harbour Commission, South Harbour, Blyth, Northumberland, NE24 3PB	144.00
Premium Autocare Ltd	Premium Point, Grimbald Grag, St James Business Park, Knarborough, HG5 8PW	443.76
Pirtek Cumbria	Haweswater Rd, Penrith Industrial Estate, Penrith, CA11 9EU	145.32
Pirtek Medway	5 Bergland Pk/Maritime Ct, Rochester, ME2 4AD	239.40
Pirtek Norwich	Morgan Way, Norwich, NR5 9JJ	450.28
QC Space Ltd	3 Cook Way, North West Industrial Estate, Peterlee, Co Durham, SR8 2HY	2,028.00
RS Recovery	Head Office Accounts, Unit 37 Coneygre Ind. Estate, Tipton, West Midlands, DY4 8XP	60.00
Sage (UK) Ltd	North Park, Newcastle upon Tyne, NE13 9AA	445.50
Suez Recycling and Recovery UK Ltd	301-303 Parkway, Worle, Weston-Super-Mare, BS22 6WA	195.76
Smart IT Support Ltd	320J Mayoral Way, Team Valley Trading Estate, Gateshead, Tyne and Wear, NE11 0RT	258.50
Smart Office Technology Ltd	Attention Accounts, 320J Mayoral Way, Team Valley Trading Estate, Gateshead, NE11 0RT	-
Snowballs Motor Factors	Railway Street, Bishop Auckland, DL14 7LT	186.57
STVA UK Ltd	2 Cooper Road, Thornbury, Bristol, BS35 3UP	3,888.32
Scania (GB) Ltd	Delaware Drive, Tongwell, Milton Keynes, Buckinghamshire, MK15 8HB	22.88
Scottish Power Ltd	320 St Vincent St, Glasgow, G2 5AD	1,380.48

Beamish Transport Limited
Statement Of Affairs as at 8 March 2019

B - List of Creditors (Page 4 of 4)

Unsecured Creditors - Trade & Expense	Address	£
Thompson Commercials Ltd	Salvesen Way, Clive Sullivan Way, Hull, HU3 4UQ	3,636.61
Top Blue Limited	34 Warbuck Road, London, W12 8NT	4,427.76
Transporter Engineering Ltd	The Old Airfield, Gosfield, Halstead, Essex, CO9 1SA	11.16
Treyforce NW Ltd	Oasis Business Park, Parkside Place, Skelmersdale, Lancashire, WN8 9RD	4,288.32
Tyernet	Aviation House, 2 Windward Drive, Liverpool, L24 8QR	490.20
UK Fuels Ltd	Eurocard Centre, Herald Drive, Crewe, Cheshire, CW1 6EG	4,823.09
Volvo Group Uk Ltd	Wedgenock Lane, Warwick, CV34 5YA	31,274.55
Worldpay	3 Hardman Square, Spinningfields, Manchester, M3 3EB	113.80
		<u>905,213.59</u>
Unsecured Creditors - Employee Unsecured Claims	Address	£
Employee Redundancy / Pay in Lieu of Notice - Estimated		435,688.02
		<u>435,688.02</u>
Unsecured Creditors - Connected	Address	£
Richard Foster		47,663.80
Darrin Pickering		28,705.41
Stephen Fenwick		92,146.86
		<u>168,516.07</u>

Signature _____ Date _____

Beamish Transport Limited
Statement Of Affairs as at 8 March 2019

C - List of Shareholders (Page 1 of 1)

Shareholders	Address	£
Richard Foster		50,250.00
Darrin Pickering		147,750.00
Stephen Fenwick		102,000.00
		<u>300,000.00</u>

1. Introduction

- 1.1 "A Creditors' Guide to Administrators' Remuneration" is available to download at: <http://www.ksagroup.co.uk/downloads/fees-administration.pdf>. Should you require a paper copy, please send your request in writing to us at the address on Page 1 and this will be provided to you at no cost.
- 1.2 The guide contains details as to how the basis of Administrators' remuneration may be calculated, and confirms that, should creditors fail to agree a suitable basis for remuneration, then an application may need to be made to the Court to set the basis.

2. Basis of Administrators' remuneration

- 2.1 Pursuant to Rule 18.16(2) of the Rules, the basis of the Administrators' remuneration may be fixed:
- by reference to time properly given by the insolvency practitioners and their staff in attending to matters as set out in the Fee Estimates, set out in this appendix;
 - as a percentage of the value of the property with which the Joint Administrators have to deal;
 - as a set amount; or
 - a combination of the above.
- 2.2 On current information, there may be sufficient funds to enable a distribution to the unsecured creditors. Therefore, in accordance with Rule 18.18(3) of the Rules and in the absence of a creditors' committee, the Administrators will seek to fix the basis of our remuneration with the unsecured creditors at a virtual meeting of creditors to be held on 16 May 2019.

3. Joint Administrators' Remuneration

- 3.1 In accordance with current insolvency legislation, it is proposed that the Administrators shall be authorised to draw their remuneration at the fixed amount of £80,000 (plus VAT).

Comparison to Time Costs as at 29 April 2019

	Current Total Hours	Average Hourly Rate	Current Time Costs Expended	Estimated Future Hours	Estimated Future Costs	Estimated Total Costs
A. Administration etc.	37.08	252.62	9,366.98	70.00	15,650.00	25,016.98
B. Investigations	7.58	204.38	1,549.17	60.00	12,500.00	14,049.17
C. Realisations of Assets	28.31	283.62	8,029.33	40.00	9,750.00	17,779.33
D. Trading	NIL	NIL	NIL	NIL	NIL	NIL
E. Creditors	33.94	272.38	9,244.68	97.00	21,880.00	31,124.68
F. Case Specific Matters	9.83	263.65	2,591.67	15.00	3,550.00	6,141.67
TOTAL	116.74	263.67	30,781.83	282.00	63,330.00	94,111.83

- 3.2 The table above is our estimate of what the Joint Administrators' remuneration may be should it be calculated on a time costs basis for this appointment. This estimate has been prepared on the basis of the information available to us to date and is based on our experience in dealing with other cases which have similar issues to this Administration.
- 3.3 The charge out rates currently levied by KSA Group Ltd in respect of staff likely to deal with this matter can be summarised as follows:

Hourly Charge Out Rate

	£
Directors and Insolvency Practitioners	200 – 350
Managers/Senior Administrators	120 – 200
Administrators/Support Staff	50 – 120

- 3.4 The estimated time that the Administrators and their staff are likely to spend in respect of this Administration have been analysed into a number of different areas of work. A summary of the primary work that will be undertaken by the Administrators and their staff is summarised below **Creditors should note that the**

description of the work to be carried out under each heading is not exhaustive, but is merely meant to give an indication of the general work carried out in all administration cases:

A. Pre Appointment Matters

The work falling under this category will include:

- Reviewing initial information provided by the directors/shareholders
- Providing advice regarding the options available to the Company
- Considering the ethical, technical, practical and legal requirements relevant to the proposed course of action, such as Administration.
- Attending meetings with key stakeholders or entering into discussions with those stakeholders where appropriate.

The work requires a greater level of commercial experience and insolvency knowledge, together with decision making skills, and as a result, this work is almost always led at director or senior manager level.

B. Administration, Planning and Statutory Matters

The work falling under this category will include:

- Reviewing appointment and all statutory documents.
- Assessing the work needed for this particular Administration and ensuring that adequate resources are available and ensuring that the appropriate assistance from other professionals, as noted above, is obtained.
- Preparing and issuing all annual progress reports and statutory reports, including receipts and payments accounts, and providing creditors with a suitable analysis of actual time costs accrued.
- Managing general administrative matters.

The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills. This work is mainly delegated to insolvency administrators with suitable levels of experience, supervised by directors or managers.

C. Investigations

The work falling under this category will include:

- Undertaking a review of the conduct of the directors and reporting thereon.
- Reviewing the affairs, trading and transactions of the company, in order to comply with the requirements laid on the Administrators by statute and by the appropriate Statement of Insolvency Practice issued by the Association of Business Recovery professionals
- An examination of the company's records and transactions, particularly over the two year period preceding Administration.

The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills. The work is usually delegated to more senior insolvency administrators, supervised by directors.

D. Realisation of Assets

The work falling into this category will include:

- Identifying, securing and realising recorded assets where possible.
- Attending the Company's premises.
- Evaluating strategy on realising assets in order to maximise recoveries, such assets to include property, machinery, vehicles fixtures and fittings and so on.
- Liaising with the Company's Customers. Discussing the ongoing position and payment of historical book debts.
- Liaising with the secured creditors concerning collection of the Company's secured debts
- Generally doing all things to disposal of the business and/or the company's assets in order to maximise the position as regards creditors

This area of work requires a reasonable level of commercial experience and insolvency knowledge, together with decision making skills. The work is led at director or senior manager level, supported by case administrators with suitable experience

E. Trading

There has been and will not be any post Administration trading in this matter.

F. Creditors

The work falling into this category will include:

- Liaising with key stakeholders.
- Reviewing the validity of all claims submitted by any creditor claiming to hold security which might therefore afford them priority over some other classes of creditor when funds are distributed.
- Meetings with the Company's employees, advising employees of the proposed course of action and providing any advice to the employees in respect of the employment status.
- Assisting employees in submitting any claims in order to try and ensure that they are not prevented from recovering monies due to them as set out in the appropriate legislation.
- Computing, processing and checking employee claims and liaising with the Redundancy Payments Service where necessary.
- Considering, checking and recording any other potential preferential claims.
- Receiving and recording all creditor claims.
- Agreeing the claim of any secured creditor, taking the appropriate legal advice where necessary. Distributing funds to those secured creditors where appropriate.
- Managing creditor enquiries and creditor correspondence.

The majority of this work is carried out by case administrators, again with directors or senior managers overseeing the work. To estimate costs in respect of administering the claims of employees and creditors we generally consider the known number of creditors (including employees) and in this case we understand creditors total 153.

G. Case Specific Matters

The work falling into this category will include:

- Dealing with statutory, regulatory and licensing matters.
- Reviewing matters specific to this company which are identified post administration and dealing with those matters in an appropriate manner.

Due to the uncertain nature of this work it is usually undertaken by senior managers or directors, with assistance from case administrators.

4. Expenses Estimate

- 4.1 In addition to the remuneration of the administrators, certain expenses will, by necessity, be incurred in dealing with this administration. These are known as disbursements. The majority of the disbursements in this case will be re-charged at direct cost to the case. Detailed below is an estimate of the disbursements likely to be incurred in dealing with this case:

Disbursements which will be re-charged to the case at direct cost	Estimated Cost £
Legal Fees - Post-Appointment Matters	18,000.00
Surveyors/Valuers/Agents Fees – Post-Appointment	12,000.00
Insolvency Practitioners Specific Performance Bond	720.00
Statutory Advertising	84.60
Record Retrieval and Storage	140.00
Disbursements not re-charged at direct cost to the case	Estimated Cost £
Printing, Postage, Stationery and Advertising – charged to the case at £7.50 per creditor based upon 153 creditors	1,147 50

Category 1 Disbursements

- 4.2 Our estimate in respect of this heading covers expenses where the officeholders firm has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents, storage of original records of the insolvent estate. In each case the recharge will be reimbursement of a specific expense incurred.

Category 2 Disbursements

- 4.3 Costs in respect of Category 2 disbursements will be subject to creditor approval because it concerns expenses where there will not always be an invoice for the cost. Insolvency practices additionally provide for the recharge of expenses such as postage, stationery, photocopying charges, telephone, fax and other electronic communications, which cannot be economically recorded in respect of each specific case. Such expenses, which are apportioned to cases, must be approved by the creditors in accordance with the Insolvency Rules 1986, before they can be drawn, and these are known as category 2 disbursements. The current policy of is to recharge this expense on the basis of a figure based upon the number of creditors with whom we have to communicate and report during the insolvency.
- 4.4 All disbursements incurred by the Administrators' firm are reimbursed at direct cost to the case, save in the case of postage, stationery and telephone for which a charge of £7.50 per creditor will be levied, and motor travel where a charge of 45p per mile is made. To date, disbursements have been paid in respect of the Administrators' specific performance bond and statutory advertising fees. These payments are shown on the attached receipts and payments account.

Other Expenses

- 4.5 The following expenses have been incurred throughout the duration of the appointment:
- **Specific Penalty Bond** – this is a mandatory insurance cover that is required on all appointments. For the purpose of this Administration the Bond has been set at £100,000 and the premium payable is £720.00.
 - **Statutory Advertising** – the Administrators are required by the Insolvency Act and Rules to give notice by advert in the London Gazette of their appointment. The cost in this regard is £84.60 plus VAT.
 - **Legal Costs** – Clarke Mairs LLP were instructed to act for the Administrators in relation to:
 - Completing and filing the Notice of Intention to appoint Administrators
 - Completing and filing the Notice of Appointment of Administrators
 - Advising the Administrators on any matters relating to their appointment
 - Advising the Administrators on the validity of their appointment.
- These costs are estimated to be £18,000 plus VAT in total.
- **Surveyors / Agents' Costs** – The Administrators instructed Charterfields Ltd ("Charterfields") to assist in asset realisations. The agents were instructed to value and market the business for sale. These costs amounted to £12,000 plus VAT in total.

- 4.6 In all administrations, it may prove necessary to engage other professional and specialists to assist in the administration process. For example suitably qualified surveyors may need to be instructed to assist in marketing and realising the assets of the company. Lawyers are also likely to be utilised to protect the legal interests of the company and the Administrators, and possibly to assist in the recovery of assets. The costs of anyone assisting with the Administration will be an expense of the Administration. Such expenses are not subject to creditor approval but nevertheless have an effect on the funds available to deal with the claims of creditors.

5. Liquidators Remuneration Basis

- 5.1 In accordance with current insolvency legislation, it is proposed that the proposed Liquidators shall authorised to draw their remuneration at the fixed amount of £20,000 (plus VAT).
- 5.2 A summary of the primary work that will be undertaken by the Administrators and their staff is summarised below **Creditors should note that the description of the work to be carried out under each heading is not exhaustive, but is merely meant to give an indication of the general work carried out in all administration cases.**

A. Administration, Planning and Statutory Matters

The work falling under this category will include:

- Reviewing appointment and all statutory documents.
- Assessing the work needed for this particular Liquidation and ensuring that adequate resources are available and ensuring that the appropriate assistance from other professionals, as noted above, is obtained.
- Preparing and issuing all annual progress reports and statutory reports, including receipts and payments accounts, and providing creditors with a suitable analysis of actual time costs accrued.
- Managing general administrative matters.

The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills. This work is mainly delegated to insolvency administrators with suitable levels of experience, supervised by directors or managers.

B. Investigations

The work falling under this category will include:

- Reporting on the conduct of the directors.

The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills. The work is usually delegated to more senior insolvency administrators, supervised by directors.

C. Realisation of Assets

The work falling into this category will include:

- Liaising with the Company's Customers. Discussing the ongoing position and payment of historical book debts.
- Generally doing all things to disposal of the business and/or the company's assets in order to maximise the position as regards creditors.

This area of work requires a reasonable level of commercial experience and insolvency knowledge, together with decision making skills. The work is led at director or senior manager level, supported by case administrators with suitable experience.

D. Trading

There has been and will not be any post Liquidation trading in this matter.

E. Creditors

The work falling into this category will include:

- Liaising with key stakeholders.
- Assisting employees in submitting any claims in order to try and ensure that they are not prevented from recovering monies due to them as set out in the appropriate legislation.
- Computing, processing and checking employee claims and liaising with the Redundancy Payments Service where necessary.
- Receiving and recording all creditor claims.
- Agreeing the claim of any secured creditor, taking the appropriate legal advice where necessary. Distributing funds to those secured creditors where appropriate.
- Managing creditor enquiries and creditor correspondence.

The majority of this work is carried out by case administrators, again with directors or senior managers overseeing the work. To estimate costs in respect of administering the claims of employees and creditors we generally consider the known number of creditors (including employees) and in this case we understand creditors total 153.

F. Case Specific Matters

The work falling into this category will include:

- Dealing with statutory, regulatory and licensing matters.
- Reviewing matters specific to this company which are identified post administration and dealing with those matters in an appropriate manner.

Due to the uncertain nature of this work it is usually undertaken by senior managers or directors, with assistance from case administrators.

BEAMISH TRANSPORT LIMITED

(IN ADMINISTRATION)

TIME AND CHARGE OUT SUMMARY

	Hours Spent	Charge Out Rate £	Total Time Costs £	Average Hourly Rate £
Administration, Planning and Statutory Matters				
Directors and Insolvency Practitioners	15.46	200 - 350	5,413.64	350.00
Managers/Senior Administrators	21.62	120 - 200	3,953.34	182.86
Administrators/Support Staff	0.00	50 - 120	0.00	0.00
Investigations				
Directors and Insolvency Practitioners	1.08	200 - 350	379.17	350.00
Managers/Senior Administrators	6.50	120 - 200	1,170.00	180.00
Administrators/Support Staff	0.00	50 - 120	0.00	0.00
Realisation of Assets				
Directors and Insolvency Practitioners	17.28	200 - 350	6,043.33	350.00
Managers/Senior Administrators	11.03	120 - 200	1,986.00	180.05
Administrators/Support Staff	0.00	50 - 120	0.00	0.00
Trading				
Managers/Senior Administrators	0.00	120 - 200	0.00	0.00
Administrators/Support Staff	0.00	120 - 200	0.00	0.00
Administrators/Support Staff	0.00	50 - 120	0.00	0.00
Creditors				
Directors and Insolvency Practitioners	18.44	200 - 350	6,454.68	350.00
Managers/Senior Administrators	15.50	120 - 200	2,790.00	180.00
Administrators/Support Staff	0.00	50 - 120	0.00	0.00
Case Specific Matters				
Directors and Insolvency Practitioners	4.83	200 - 350	1,691.67	350.00
Managers/Senior Administrators	5.00	120 - 200	900.00	180.00
Administrators/Support Staff	0.00	50 - 120	0.00	0.00
TOTAL	116.74		30,781.83	263.68

Resolutions to be put to a virtual meeting of creditors to be held
On 16 May 2019 at 11:00am

1. That the Administrator's proposals, as set out below be approved
 - 1.1 That the Administrators continue to manage the affairs of the Company in order to achieve the purpose of the Administration by continuing to collect the remaining book debts due, as well as dispose of the Company's residual assets.
 - 1.2 The Administrators do all such things and generally exercise their powers as Administrators as they consider desirable or expedient in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or maximise realisation of those assets, or for any other purpose incidental to these proposals.
 - 1.3 That the costs and expenses of the Administration are paid in full, including Administrators' remuneration in accordance with rule 18.16(2) of the Rules. Please refer to Section 14 and appendix 4 for further details.
 - 1.4 Once the costs and expenses of the Administration have been settled, that any surplus funds be paid to the secured creditors and, if appropriate, to preferential creditors.
 - 1.5 As is expected, should sufficient funds be realised to allow the payment of any dividend to unsecured creditors, the Administration will be brought to an end by a creditors' voluntary liquidation in accordance with paragraph 83 of schedule B1 of the Act. In such circumstances it is proposed that Eric Walls and Wayne Harrison be appointed Joint Liquidators. In accordance with paragraph 83(7) of Schedule B1 of the Act and Rule 3.60(6) of the Rules creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these proposals but before the Proposals are approved at the virtual meeting.
 - 1.6 In the event that insufficient funds are realised to allow a dividend to unsecured creditors then as soon as the Administrators are satisfied that they have fully discharged their duties and that the purpose of the Administration has been achieved, the Administration will be brought to an end by moving to dissolution of the Company in accordance with paragraph 84 of schedule B1 of the Act.
 - 1.7 On the Administrators ceasing to be Administrators of the Company they will be discharged from liability in respect of any action of theirs as Administrators, pursuant to paragraph 98 of Schedule B1 of the Act.

Accept/Reject

2. That a creditors committee not be established.

Accept/Reject

3. In the absence of a creditors committee, the unsecured creditors are invited to fix the basis of the Administrators' remuneration in accordance with the scope and assumptions provided to creditors at appendix 4 of these proposals. For the sake of clarity, the Joint Administrators seek to agree that they be authorised to draw their remuneration at the fixed amount of £80,000 (plus VAT).

Accept/Reject

4. In the absence of a committee being formed, that all disbursements, including pre appointment expenses, incurred by the Administrators' firm are reimbursed at direct cost to the case, save in the case of postage, stationery and telephone for which a charge of £7.50 per creditor will be levied, and motor travel where a charge of 45p per mile is made.

Accept/Reject

5. Pre-appointment expenses. In the absence of a liquidation committee the pre-appointment expenses still outstanding be paid as follows:

	(£)
Pre-Appointment Administrators' Fees	15,000.00 plus VAT
Legal Advisors Pre-Appointment Fees	2,500 plus VAT
Agents Pre-Appointment Fees	500 plus VAT

Accept/Reject