

The Insolvency Act 1986

Statement of administrator's revised proposals

Name of Company Parkway Services (Yorkshire) Limited	Company number 04690107
In the High Court of Justice, Chancery Division, Leeds District Registry	Court case number 134 of 2011

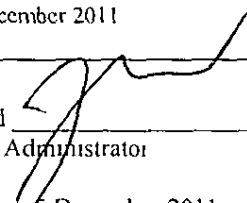
(a) Insert full name(s) and
address(es) of
administrator(s)

I **Jeremy Nicholas Bleazard**
XL Business Solutions Limited
Premier House
Bradford Road
Cleckheaton
BD19 3TT

attach as a schedule to this form a copy of my revised proposals in respect of the administration of the
above company

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

5 December 2011

Signed 
Administrator

Dated 5 December 2011

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.

161	
DX Number	DX Exchange



A12 07/12/2011 250
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

WEDNESDAY

**Administrator's Report and
Revised Statement of Proposals**

**Parkway Services (Yorkshire) Limited
In Administration**

5 December 2011

PARKWAY SERVICES (YORKSHIRE) LIMITED - IN ADMINISTRATION

CONTENTS

1	Statutory Information
2	Background to the Administration
3	Administration Strategy and Objective
4	Administrator's Receipts and Payments
5	Financial Position
6	Proposals
7	Exit Route
8	Pre-administration Costs
9	Administrator's Remuneration
10	Estimated Outcome
11	Next Report
12	Meeting of Creditors

APPENDICES

Receipts and Payments Account for the Period from 27 January 2011 to 5 December 2011	Appendix A
Summary of the Estimated Financial Position of the Company as at 5 December 2011	Appendix B
Time Analysis for the Period from 27 January 2011 to 5 December	Appendix C
Additional information in relation to Administrator's fees pursuant to Statement of Insolvency Practice 9	Appendix D
Estimated Outcome Statement as at 5 December 2011	Appendix E

1 Statutory Information

- 1 1 The registered number of Parkway Services (Yorkshire) Limited ("the Company") is 04690107
- 1 2 The trading address of the Company is Wentworth Road, South Park Industrial Estate, Scunthorpe, DN17 2AY
- 1 3 The registered office of the Company has been changed from 39-43 Bridge Street, Swinton, Mexborough, South Yorkshire, S64 8AP to XL Business Solutions Limited, Premier House, Bradford Road, Cleckheaton, BD19 3TT
- 1 4 Details of the Company's directors and secretary are as follows

	Date appointed	Date resigned	Shares held
Director(s)			
Ronald Edward Osborne	4 August 2010		
Connel Joseph Masterson	19 December 2005	5 August 2010	
Michael James Masterson	19 December 2005	5 August 2010	
Secretary			
Axholme Secretaries Limited	18 November 2005		

2 Background to the Administration

- 2 1 The company was incorporated in March 2003. The company traded as a sub contractor on a number of projects. The directors managed to secure a number of large contracts for the company with main contractors such as Balfour Beatty and Carilion.
- 2 2 In May 2010, the company came under pressure with its cash flow and approached Team O Solutions Limited "Team O" to make a loan to the company. An initial amount of £300,000 was advanced. Further advancements were made by Team O.
- 2 3 In August 2010, the two original directors resigned from the company and were replaced by Mr R Osborne.
- 2 4 The company came under increased pressure from HM Revenue & Customs and in October 2010 received a winding up petition in the sum of £412,008 for non payment of PAYE, Corporation Tax and VAT.

PARKWAY SERVICES (YORKSHIRE) LIMITED - IN ADMINISTRATION

- 2 5 The director negotiated an adjournment of the petition until January 2011
- 2 6 However, the director was unable to turn the company around
- 2 7 As a result, Jeremy Nicholas Bleazard of XL Business Solutions Limited a licensed insolvency practitioner, was appointed Administrator of the Company by Team O Solutions Limited under the terms of a debenture granted to them by the Company on 13 July 2010. Jeremy Bleazard is licensed to act as an Insolvency practitioner by the Insolvency Practitioners Association.
- 2 8 The Administration is registered in the High Court of Justice, Chancery Division, Leeds District Registry, under reference number 134 of 2011.
- 2 9 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 Administrator must perform his 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.

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

The Administrator concluded that the objective as set out in Paragraph 3(1)(a) rescuing the Company (legal entity) as a going concern was not achievable due to the contracts undertaken by the company being terminated immediately prior to the appointment of the Administrator.

In addition, the objective in Paragraph 3(1)(b) achieving a better result for the Company's creditors as a whole is not achievable as at the time of the Administration, the contracts the company had were terminated and could not be sold.

Consequently, the objective of this Administration is set out in Paragraph 3(1)(c) making a distribution to preferential and secured creditors.

PARKWAY SERVICES (YORKSHIRE) LIMITED - IN ADMINISTRATION

The Administrator decided that there was no material benefit in continuing to trade the Company. Accordingly all staff were made redundant.

The Company's main assets at the date of appointment were as follows:

- **Freehold Property** – The Company owns freehold land and property in Scunthorpe. The property is currently being marketed by my agent, Eddisons. I have been advised that this building is worth £150,000.
- **Cash at Bank** – The Company had a credit balance of £59,639. This has now been realised by the Administrator.
- **Claim** – The Company had a claim against Balfour Beatty estimated at £1million. This claim is disputed.
- **Performance Bond** – The Company had paid a performance Bond to a main contractor of £30,000. These funds are currently being withheld as a result of the termination of the contracts.

3.2 In accordance with Statement of Insolvency Practice No 13, I would advise you that no assets have been sold to the director of the Company.

4 Administrator's Receipts and Payments

4.1 The following information provides a brief description of the Receipts and Payments Account to 5 December 2011, is attached as Appendix A.

Receipts

Cash at Bank

The sum of £59,639 has been realised from the bank account operated by the company. A small amount of bank interest has been received in the sum of £3.

Payments

Agents Fees

The sum of £2,227 has been paid to Remotezone on account of costs incurred on securing the Company's freehold property.

Insurance

The sum of £2,113 has been paid to Marsh as regards the insurance for the Company's freehold property.

Accountancy Fees

The sum of £1,650 has been paid to Brearley & Co accountants in relation to work carried out on my behalf

Advertising

Statutory advertising of the Administrator's appointment has been paid of £76

5 Statement of Affairs & Financial Position

The Director of the Company has been requested to provide a Statement of Affairs for the Company as at the date of Appointment

This has not been received as the director feels both the asset and liability position provided to him by the Company's previous directors, is inaccurate

Attached as Appendix B is a summary of the Estimated Financial Position of the Company as at 5 December 2011, together with a list of creditors names and addresses along with details of their debts (including details of any security held by them)

6 Proposals

It is proposed that the Administrator 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 the Administrator thinks that the Company has no property which might permit a distribution to its creditors, he 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
- 6.2 The Administrator shall do all such other things and generally exercise all of his 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
- 6.3 The creditors consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction the basis of the Administrator's remuneration and any proposed act on the part of the Administrator 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
- 6.4 The basis of the Administrator's remuneration may be fixed as one or more of the following bases and different bases may be fixed in respect of different things done by him

- as a percentage of the value of the assets he has to deal with, or
- by reference to time properly spent by the Administrator and his staff managing the Administration, or
- as a set amount

6 5 Where no Creditors' Committee is appointed, the remuneration of the Administrator shall be fixed by resolution of a meeting of creditors or where the Administrator thinks 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

6 6 In this case, the Administrator is seeking to approve the basis of his remuneration as follows

- By reference to the time properly spent by the Administrator and his staff in attending to matters arising in the Administration

6 7 The Administrator be authorised to draw remuneration as and when funds are available

6 7 The Administrator will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect

7 Exit Routes

Dissolution of the Company

7 1 If the Administrator thinks that the Company has no property which might permit a distribution to its creditors, it is proposed that he file a notice together with his final progress report at Court and with the Registrar of Companies for the dissolution of the Company. He will send copies of these documents to the Company and its creditors. The Administrator's appointment will end following the registration of the notice by the Registrar of Companies.

8 Pre-administration Costs

8 1 There are no Pre-Administration costs in this matter

9 Administrator's Remuneration

9.1 The Administrator's time costs at 5 December 2011 are £29,392. This represents 138.80 hours at an average rate of £211.76 per hour. As noted in the Proposals section above, the Administrator is seeking to fix the basis of his remuneration by reference to time costs. 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. If you would prefer this to be sent to you in hard copy, please contact Graham Harsley of this office on 01274 870101.

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.

9.4 A summary of the time incurred is as follows:

- General case administration, including opening files, meeting with the directors of the Company and planning the running of the administration, 65.55 hours
- Investigations, including the review of the Company records to ascertain the current financial position of the Company, 15.00 hours
- Realisation of assets, including corresponding with agents and the former director to ascertain the whereabouts of a number of assets, which appear to have been stolen from various sites, 44.25 hours
- Creditors, including corresponding with creditors regarding their outstanding debts, 14.00 hours

9.5 In addition, disbursements in the sum of £712.46 have been incurred by this firm when handling this matter. No funds have been drawn in this regard.

The disbursements can be summarised as follows:

Bordereau	£480.00
Company Search	£ 5.00
Mileage	£184.50
Working Lunch	£ 35.96
Storage	£ 7.00

10 Estimated Outcome

10 1 An estimate of the outcome of the Administration as at 5 December 2011 is attached as Appendix E. This indicates that there will be no dividend to the unsecured creditors.

10 2 The estimated outcome for creditors included in this report is illustrative only and cannot be relied upon as a guidance as to the actual outcome for creditors.

10 3 Secured Creditor

Team O Solutions Limited "Team O" were granted a debenture dated 13 July 2010, providing a fixed and floating charge over the Company's assets.

Team O also have the benefit of an unlimited cross guarantee with an associated company Scaff UK Limited.

The amount outstanding to Team O at the date of appointment was approximately £555,815 (excluding interest and charges).

Based upon current information it is unlikely Team O will be repaid in full.

Preferential Creditors

As mentioned previously, following a review of the Company's position, the Administrator took the decision to cease trading. As a result all the Company's employees have been made redundant. The Administrator is currently in the process of assessing the level of the preferential claims against the Company and current estimates show that the claims in respect of holiday pay and wage arrears will be circa £9,440.

Based on current information there preferential creditors will be paid in full.

Prescribed Part

The Insolvency Act 1986 (Prescribed Part) Order 2003 does apply in this case as the security held by Team O was created after 15 September 2003. The Prescribed Part is calculated as a percentage of the Company's net property.

I can advise that the Company's net property is less than the minimum amount of £10,000 prescribed by Section 176A(3) and Regulation 2 of the Insolvency Act 1986 (Prescribed Part) Order 2003. Consequently no dividend of the prescribed part of the net property is available for the Company's unsecured creditors.

PARKWAY SERVICES (YORKSHIRE) LIMITED - IN ADMINISTRATION

Unsecured Creditors

Based upon current information The Administrator does not expect there to be sufficient funds available to make a distribution to the unsecured creditors

11 Next Report

- 11 1 The Administrator is required to provide a progress report within one month of the anniversary of the Administration

12 Meeting of Creditors

- 12 1 The Administrator thinks that the Company has insufficient property to enable a distribution to be made to the unsecured creditors, other than those funds available under the "Prescribed Part" In accordance with Paragraph 52 (1) (b) of Schedule B1 of The Insolvency Act 1986 an initial meeting of the Company's creditors is therefore not being convened The Administrator is however obliged to hold an initial creditors' meeting if 10% in value of the creditors request it If you wish for a meeting to be held, you must notify him in writing in the prescribed form on or before 19 December 2011

For and on behalf of
Parkway Services (Yorkshire) Limited



J N Bleazard
Administrator

Enc

Parkway Services (Yorkshire) Ltd
(In Administration)
Administrator's Abstract of Receipts & Payments
To 05/12/2011

S of A £	£	£
COSTS OF REALISATION		
Agents/Valuers Fees	2,227 12	(2,227 12)
ASSET REALISATIONS		
Cash at Bank	59,638 76	
Bank Interest Gross	3 11	
		59,641 87
COST OF REALISATIONS		
Accountancy Fees	1,650 00	
Insurance	2,112 50	
Statutory Advertising	75 60	
		(3,838 10)
		53,576 65
REPRESENTED BY		
Current A/c - Bank 1		52,659 36
Fixed Ch Vat Receivable		445 42
Vat Control Account		471 87
		53,576 65

Parkway Services (Yorkshire) Limited

In Administration

Estimated Financial Position of the Company

As At 5 December 2011

Assets	£	
Freehold Land and Property	150,000	
Cash at Bank	59,639	
Claim against Balfour Beatty	1,000,000	
Performance Bond	<u>30,000</u>	1,239,639
 Liabilities		
Team O Solutions Limited	555,815	
H M Revenue & Customs	642,779	
Trade Creditors	212,160	
Scaff UK Limited	<u>308,016</u>	1,718,770
 Anticipated shortfall		 <u>479,131</u>

SIP 9 - Time & Cost Summary

Period 01/01/90 05/12/11

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	17 50	43 75	4 30	0 00	65 55	13 552 00	206 74
Investigations	10 50	4 50	0 00	0 00	15 00	3 420 00	228 00
Realisations of assets	18 50	25 75	0 00	0 00	44 25	9,590 00	216 72
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	6 00	4 50	3 50	0 00	14 00	2 830 00	202 14
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	52 50	78 50	7 80	0 00	138 80	29 392 00	211 76
Total Fees Claimed						0 00	

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

1 Policy

Detailed below is XL's policy in relation to

Staff allocation and the use of subcontractors

Professional advisors

Disbursements

1 1 Staff allocation and the use of subcontractors

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

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

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

We have not utilised the services of any subcontractors 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 of our fee arrangement with them, which is subject to review on a regular basis

Name of Professional Advisor	Basis of Fee Arrangement
Walker Morris (legal advice)	Hourly rate & disbursements
Marsh (insurance)	Asset level
Eddisons (valuation and disposal advice)	Hourly rate & disbursements
Brearley & Co (Accountancy services)	Hourly 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

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 disbursements can include costs incurred, which relate to payments due to associated companies for the provision of services to the office holder. On this case no costs have been incurred.

2 Charge-out rates

A schedule of XL charge-out rates effective from 1 March 2009 is as follows

		(per hour)
		£
Partner -		
Partner 1		240 00
Manager -		
Senior Manager		205 00
Manager		175 00
Other Senior Professionals -		
Experience Senior		155 00
Senior		120 00
Administrator		105 00

Estimated Outcome Statement as at 5 December 2011

Appendix E

	£000
Assets Subject to Fixed Charge	
Freehold Land and Property	150,000
	150,000
Less	
Estimated Costs of Administration	(17,500)
Available to Fixed Charge Holder	132,500
Less Team O Solutions Limited	(555,815)
Deficit to Fixed Charge Holder	(423,315)
Assets Subject to Floating Charge	
Cash at Bank	59,639
Less	
Estimated Costs of Administration	(47,500)
Available to Preferential Creditors	12,139
Less	
Preferential Creditors	(9,440)
Available to Floating Charge Holder	2,699
Less Team O Solutions Limited	(423,315)
Deficit to Floating Charge Holder	(420,616)