

The Insolvency Act 1986

Statement of administrator's proposals**2.17B**

Name of Company RT Training Services Limited	Company number 05769288
In the High Court of Justice, Chancery Division, Manchester District Registry	Court case number 3475 of 2012

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

We (a) Robert Cooksey – MIPA and Jonathan Lord – MIPA both of Bridgestones, 125/127 Union Street, Oldham, OL1 1TE

* 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) 6th February 2013

Signed



Joint / Administrator(s)

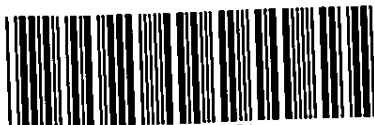
Dated 6th February 2013**Contact Details:**

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.

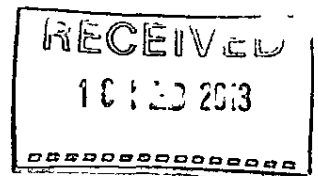
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IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
MANCHESTER DISTRICT REGISTRY
NO. 3475 OF 2012

RT TRAINING SERVICES LIMITED – IN
ADMINISTRATION

**REPORT AND PROPOSALS OF THE JOINT
ADMINISTRATORS**

29TH JANUARY 2013

JOINT ADMINISTRATORS: ROBERT COOKSEY – MIPA
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RT TRAINING SERVICES LIMITED – IN ADMINISTRATION

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This Report has been prepared by Jonathan Lord and Robert Cooksey, the Joint Administrators of RT Training Services Limited solely to comply with their statutory duty under paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the Administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This Report has not been prepared in contemplation of it being used, and it is not suitable to be used to inform any investment decision in relation to the debt of or any financial interest in RT Training Services Limited.

Any estimated outcome for creditors included in this Report are illustrative only and cannot be relied upon as guidance to the actual outcome for creditors.

Any person that chooses to rely on this Report for any purpose or in any context other than under paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at his own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Report.

The Joint Administrators act as agents for RT Training Services Limited and contract without personal liability. The appointments of the Joint Administrators are personal to them and to the fullest extent permitted by law, Bridgestones does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the Administration.

STATEMENT OF JOINT ADMINISTRATORS' PROPOSALS PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 TO THE INSOLVENCY ACT 1986

1. SUMMARY

RT Training Services Limited ("the Company") was placed into Administration on the 4th January 2013. Jonathan Lord – MIPA and Robert Cooksey – MIPA both of Bridgestones, 125/127 Union Street, Oldham, OL1 1TE were appointed as Joint Administrators.

The Company is well established, having been trading since 2006 as a provider of health and safety training courses.

The Company has recently been struggling financially due to the current economic recession. As a result of a 25% drop in the number of courses delivered, and clients taking longer to pay for services provided, the Company has debts it cannot pay.

The Company sought professional advice and Bridgestones were contacted, and consequently administrators were appointed.

This is a "pre pack" Administration, in that following their appointment, the Joint Administrators sold the assets of the Company to Health & Safety Training (South Wales) Ltd for £27,000.

The Company has an outstanding debtor ledger with a total book value of £72,844.16. This ledger represents training courses provided where payment is due. The outstanding ledger is not factored.

Attached is an Estimated Outcome Statement prepared by the Joint Administrators on information received. It is possible that a dividend will be paid to unsecured creditors if realisations from assets are in line with forecasts.

The Joint Administrators' have decided to hold a creditors meeting at this time to approve their proposals for achieving the purpose of the Administration. Those proposals are contained herein, and the Joint Administrators' request that creditors complete the relevant forms that are attached for this purpose.

2 INTRODUCTION

We, Jonathan Guy Lord and Robert Lochmohr Cooksey were appointed as Joint Administrators of RT Training Services Limited ("the Company") on the 4th January 2013. The Directors, Mr Nicholas James Thompson, Mr Robert Thompson, Ms Hilary Margaret Thompson and Mr Stuart Charles Thompson ("the Directors"), made the administration application pursuant to the provisions of Paragraph 12, Schedule B1 of the Insolvency Act 1986.

For the purposes of paragraph 100 (2) of Schedule B1 to the Act the Joint Administrators confirm that any act required or authorised under any enactment to be done by the Joint Administrators may be done by all or any one or more of the persons at the time being holding office as Administrator. No functions are required to be undertaken by both Administrators acting together and no functions are specifically the responsibility of either Administrator.

The Joint Administrators' now submit proposals, pursuant to paragraph 49 of Schedule B1 of the Insolvency Act 1986 for achieving the purpose of the administration. This report contains the information required by Rule 2.33 of the Insolvency Rules 1986.

The EC Regulation will apply to this administration and the proceedings will be main proceedings as defined in Article 3 of the EC Regulation. The Company's registered office and its centre of main interest are in Wales.

3. STATUTORY INFORMATION

The Company was incorporated on the 4th April 2006.

The registered office of the Company, as well as its trading address was Unit C, Upper Boat Business Centre, Treforrest, Pontypridd, CF37 5BP. Following the appointment of Joint Administrators', the registered office has been changed to 125/127 Union Street Oldham OL1 1TE.

The Company number is 05769288.

The Company traded under the name of RT Training Services Limited.

The Directors of the Company are Mr Robert Thompson, Ms Hilary Margaret Thompson, Mr Nicholas James Thompson and Mr Stuart Thompson who were appointed on the 10th April 2006, 10th April 2006, 1st September 2007 and 1st January 2009 respectively.

The Company secretary is Ms Hilary Margaret Thompson.

The share capital in issue is 220 Ordinary £1 Shares. These shares are held as follows:

Nicholas James Thompson	33
Stuart Charles Thompson	33

Robert Thompson	108
Hilary Margaret Thompson	<u>46</u>
Total	220

4. STATUTORY PURPOSES OF ADMINISTRATION

Paragraph 3(1) of Schedule B1 of the Insolvency Act 1986 provides that *administration proceedings may be instituted for one or more of the following purposes, namely,*

- a) Rescuing the Company as a going concern, or if that is not achievable,
- b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or, if neither a) nor b) is achievable,
- c) Realising property in order to make a distribution to one or more secured or preferential creditors

In this instance objective (a) could not be achieved as no purchaser could be found for the shares of the Company and due to the Company's financial position a Company Voluntary Arrangement was not appropriate

As a result, the Joint Administrators are seeking to achieve objective (b) for the Company and have sold the business as a going concern using the "pre pack" Administration procedure

The insolvency legislation has set a 12 - month *maximum* duration for Administrations, unless it is extended by the court or the creditors. If the Joint Administrators are unable to complete the Administration of the Company within 12 months then the Joint Administrators will either apply to the court, or *hold a meeting of creditors, in order to seek approval to extend the duration of the Administration*

5. CIRCUMSTANCES LEADING TO THE APPOINTMENT OF ADMINISTRATORS

The Directors of the Company have provided the Joint Administrators' with the following information

The Company began trading as a limited company in April 2006 and operated as a provider of health and safety training courses

The Company has run successfully since incorporation and has won numerous tenders during its period of trade. Due to its successes the Company sought to expand and where it had previously only offered external training facilities, it procured new leased premises from which it was able to offer on site training courses

The Company's expansion allowed it to take on more substantial contracts. This in turn required the Company to expand its staff numbers and also saw the board of directors devoting the majority of their time to providing training courses. Although the Company's accounts show that its turnover increased steadily from 2009 until 2011 they also show that the expenses associated with the increased employment, travel and subsistence meant that its retained profits did not increase in line with turnover.

Despite its successes, 2011 saw a decline in the Company's work with two of its customer contracts coming to an end and its largest UK based customer being bought out with work ceasing immediately.

As the Company's workload reduced, several of its salaried employees made the decision to leave and seek employment elsewhere. This resulted in the Company taking on freelance trainers to cover the courses still operating. Although the freelance workers had the advantage of only being paid for training delivered, their daily charge rate was higher than the salaried members of staff and as such proved more expensive in the long run as they became the predominate workforce utilised.

During the last year of trade, the Company started to experience cash flow difficulties, which the Directors attribute to two main factors. Firstly a 25% drop in the number of courses delivered, and secondly clients taking longer to pay for services provided. Consequently the Company began to fall behind in payments to its creditors.

Pressure from creditors increased and HM Revenue & Customs ("HMRC") issued a winding up petition against the Company to be heard on the 17th December 2012. Consequently the Director sought advice upon the Company's financial situation.

Bridgestones were approached and advised that in this instance it was appropriate to put the Company into administration using the "pre pack" process. As a result, Jonathan Lord and Robert Cooksey were appointed Joint Administrators' on the 4th January 2013.

6 ACTIONS OF THE ADMINISTRATORS FOLLOWING APPOINTMENT

Following notification of the winding up action being brought by HM Revenue & Customs, the Company's bankers froze access to the Company's bank accounts. With no access to funds the Company was unable to pay its remaining salaried employees and freelance workers. Therefore with no funds and no employees going forward, the Company found that it was unable to trade.

Consequently, the Joint Administrators decided that it was not appropriate to continue the business of the Company and that an immediate sale of the Company's business and assets was the best way to achieve the objective of the Administration.

As a result, on the 18th January 2013, the Joint Administrators sold the Company's business and assets as a going concern to Health & Safety Training (South Wales) Ltd for £27,000.

As this is a "pre pack" Administration the Joint Administrators are required to provide extra information as per Statement of Insolvency Practice 16

The source of introduction to Bridgestones in this case, was The Insolvency Group who operate from Future House, South Place, Chesterfield, Derbyshire, S40 1SZ

The first involvement the Joint Administrators' had with the Directors was on 14th December 2012 when Mr Stuart Thompson met with Mr Jonathan Lord Prior to that meeting, Bridgestones have not had any dealings with the Directors or the Company Since that date, the Joint Administrators, along with their staff, have been investigating the Company's financial position and have been involved in negotiations for the "pre pack" sale

Agents, Eddisons, Hammond Avenue, Whitehall Industrial Estate, Stockport, SK4 1PQ, were instructed to value the assets of the business in anticipation of the appointment of administrators

Eddisons provided a valuation for the Company's assets as detailed below

- Market value in-situ for the chattel assets, being office furniture, computer hardware and training equipment £12,000
- Market value in-situ (in the event of liquidation) for the chattel assets, being office furniture, computer hardware and training equipment £3,900
- Market value in-situ for the Company's goodwill £15,000
- Market value in-situ (in the event of liquidation) for the Company's goodwill £Nil

An offer was received from Health & Safety Training (South Wales) Ltd for the purchase of the Company's chattel assets and goodwill of £27,000

Eddisons have recommended that this offer for the business as a going concern including those assets listed previously should be accepted

Health & Safety Training (South Wales) Ltd have indicated that contracts have been lost following clients being notified of the administration process and as such do not believe the goodwill to be worth £15,000 However in order to protect the sale they increased their offer on the chattel assets to cover any potential loss

As such, the price to be paid is broken down as follows

- Chattel assets, as listed above, £24,000
- Goodwill £3,000

Prior to being appointed, the Joint Administrator's considered the following alternative courses of action

- The Joint Administrator's considered recommending that the Company be allowed to proceed into liquidation However this was not considered to be the best course of action to take If the Company was to enter into liquidation, without first entering into administration the value of its Goodwill would be

lost, as would the Directors assistance in seeking the recovery of the Company's outstanding debtor ledger

- Consequently the Joint Administrator's considered the option of applying for an Administration Order and pursuing the sale of the assets through the "pre pack" process. By entering into Administration, the Company would, in the short term avoid liquidation and in doing so would retain the co-operation of its Directors and their assistance in maximising the value of the assets for creditors, and would be able to maximise the value of its goodwill
- This was considered to be the best option in view of the offer received from Heath & Safety Training (South Wales) Ltd, as the Company was under pressure from the outstanding winding up petition. As noted above Eddisons considered that the assets would be worth £3,900 at best if any cessation of trade was encountered, and in any other possible scenario this cessation would be inevitable

The transaction was completed on the 18th January 2013 and it was agreed that the Company's goodwill, office furniture and equipment would be broken down and sold for £3,000 and £24,000 respectively on a deferred sale agreement basis

A payment of £5,000 was received on completion of the sale agreement with the following three payments to be paid accordingly

- £5,000 by 4pm on the 31st January 2013
- £10,000 by 4pm on the 28th February 2013
- £7,000 by 4pm on the 28th March 2013

The sale was not part of a wider transaction. As it is a sale of a business as a going concern, the Company's remaining employees have been transferred to Health & Safety Training (South Wales) Ltd

The sale agreement is personally guaranteed by Mr Robert Thompson and RT Training Services Limited - in Administration has a debenture over the assets of Health & Safety Training (South Wales) dated 18th January 2013. The sale agreement is also subject to retention of title clause where the assets will not pass to the buyer until payment has been received in full

7 FINANCIAL POSITION OF THE COMPANY

The Joint Administrators' have asked the director to prepare a summary of the Company's estimated financial position as at 4th January 2013, which is known as a statement of affairs, but this has not yet been returned. The Director has stated that this has nearly been finalised, and will be returned shortly

The Joint Administrators' will continue to press for its submission. The penalty for failure to provide a statement of affairs is a fine and continuing daily default fine

In the absence of a statement of affairs, the Joint Administrators' have attached a draft Estimated Outcome Statement (Appendix 1) together with a list of names and addresses of all known creditors and the amounts of their debts. The Joint Administrators have no reason to expect that this document will differ significantly from the statement of affairs to be provided by the Director.

Book Debts

The Company has an outstanding debtor ledger with a total book value of £72,844.16. This ledger represents training courses provided where payment is due.

The value of the book value has been reduced by 10% to allow for the possibility of bad or doubtful debt. Therefore it is anticipated that the sum of £65,559.60 will be realised in this regard.

"Pre Pack" Sale of Assets

As previously mentioned the goodwill was sold to Health & Safety Training (South Wales) Ltd for £3,000.

In addition to the above-mentioned assets, the Company's office furniture and equipment was sold for the sum of £24,000.

Eddisons recommended that the offer of £27,000 should be accepted as the offer corresponded with their "in-situ" valuation and would avoid protracted delays in sale and the associated costs. Eddisons further considered that the assets would be worth £3,900 at best if any cessation of trade was encountered, and in any other scenario than a "pre pack" administration, this cessation would be inevitable.

£5,000 has been received by way of the first instalment of the sale agreement with the remaining balance to be paid in the following instalments:

- £5,000 by 4pm on the 31st January 2013
- £10,000 by 4pm on the 28th February 2013
- £7,000 by 4pm on the 28th March 2013

When discussing the option of marketing the business, consideration was given to the unique services provided by the Company, the fact that it had ceased trading and the lack of interest shown in purchasing or rescuing the business following the advertising of the winding up petition by HM Revenue & Customs. In view of the above, the decision was made that no benefit would be gained from marketing the business for sale.

Preferential Creditors

Preferential creditors relate to monies owed the Company's employees in relation to outstanding wages and holiday pay. As it is a sale of a business as a going concern, the Company's employees have been transferred to Health & Safety Training (South Wales) Ltd under TUPE regulations, therefore no claims are anticipated in this regard.

Prescribed Part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "qualifying floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

The estimated net property in this case is £89,560 and the prescribed part is currently estimated at £21,912, but creditors should note that the costs and expenses of these proceedings will be deducted before the net property is calculated so that both the net property and any prescribed part value is likely to change significantly.

8. PROPOSED FUTURE ACTIONS OF THE JOINT ADMINISTRATORS TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

In order to achieve the objective of the Administration of the Company, the Joint Administrators propose to collect the monies that are outstanding from the Company's debtor ledger, and contributions from the sale agreement.

Once sufficient monies have been collected, to allow a dividend to be paid to unsecured creditors, the Joint Administrators will look to place the Company into Creditors Voluntary Liquidation to allow such a dividend to be paid.

9. JOINT ADMINISTRATORS REMUNERATION AND EXPENSES

In accordance with Rule 2.106(2) of the Insolvency Rules 1986, the basis of the Joint Administrators' remuneration shall be fixed

- a) as a percentage of the value of the property with which he has to deal, or
- b) by reference to the time properly given by the insolvency practitioner (as Administrator) and his staff in attending to matters arising in the Administration, or
- c) as a set amount

In this case, the Joint Administrators propose that our fees will be charged by reference to the time properly spent by the Joint Administrators and our staff in dealing with matters relating to the Administration of the Company. This time will be charged at the hourly charge out rate of the grade of staff undertaking the work at the time the work is undertaken. Information about current charge out rates and the units of time in which work done is recorded is set out in appendix 2. The Joint Administrators also propose that we are

permitted to charge what are known as category 2 expenses. Information about category 2 expenses is set out in appendix 2.

The approval of the basis of the remuneration of the Joint Administrators (and category 2 expenses) forms part of these proposals for which approval is being sought that are set out in section 12 below, but if a creditors committee is appointed at the forthcoming meeting of creditors then the Joint Administrators will seek approval from that committee instead.

The Joint Administrators' time costs since appointment amount to £6,335 representing 30.50 hours work at an average charge out rate of £207.70. An analysis is attached at Appendix 2.

A copy of 'A Creditors Guide to Administrators' fees' published by the Association of Business Recovery Professionals and 'A Statement of Insolvency Practice 9 (Revised)' is attached in appendix 3.

10 JOINT ADMINISTRATORS DUTIES & INVESTIGATIONS

A description of the routine work undertaken in the Administration to date is as follows:

Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information
- Reviewing and adjudicating on proofs of debt received from creditors

Investigations

- Review and storage of books and records
- Preparing a return pursuant to the Company Directors Disqualification Act
- Conducting investigations into the affairs of the Company
- Reviewing books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors
- Reviewing books and records and accounts to ensure that all assets have been disclosed, and obtaining explanations for any discrepancies revealed
- Reviewing whether any preferences or transactions at undervalue have been entered into

Realisation of Assets

- Corresponding with debtors and attempting to collect the outstanding book debts
- Liaising with the Company's bank regarding the closure of the account
- Liaising with valuation and disposal agents with regards to the sale agreement

Cashiering

- Maintaining and managing the Administrators cashbook and bank account
- Ensuring statutory lodgements and tax reporting obligations are met

The Joint Administrators have a duty to consider the conduct of those who have been Directors of the Company at any time in the three years preceding the administration. The Joint Administrators are also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf and would be pleased to receive from you any information you have that you consider will assist us in this duty. The Joint Administrators would stress that this request for information forms part of our normal investigation procedure.

Administrators have powers of investigation into the affairs of a company that are similar to those of a liquidator, although certain remedies for misconduct or antecedent recovery under the Insolvency Act 1986 are available only to a liquidator.

11 PRE – APPOINTMENT FEES AND EXPENSES

The board of the Company instructed Bridgestones to assist in placing the Company in Administration on the 14th December 2012. The Joint Administrators attach at appendix 2 a detailed time cost table showing the pre-appointment time costs incurred by category and staff grade.

The following work was undertaken

- Provided advice for the different insolvency options available to the Director
- Took steps to establish the preferred route through Administration
- Established the assets situation of the Company
- Established the financial position of the Company
- Instructed agents
- Instructed Solicitors
- Examined the option of sale
- Discussed the creditors situation with the Director
- Prepared relevant correspondence with the Company including letter of engagement
- Talked to the board about the "pre pack" option
- Ensured that the Director understood as much as possible about the process of Administration
- Drafted documentation to be presented to the Court in support of the Administration Order
- Attending Court to hear the Administration Order
- Dealt with employee queries and claims regarding redundancy

The pre appointment time costs incurred by Bridgestones and its staff up to the date of appointment amounted to £4,622 representing 18 80 hours work at an average charge out rate of £245 85 An analysis is attached at Appendix 2

In addition to Bridgestones own time costs, fees and expenses were also incurred by Messrs Freeth Cartwright LLP (Solicitors), 3rd Floor, St James Building, 61 – 95 Oxford Street, Manchester, M1 6FQ LLP and Eddisons Limited (professional auctioneers and valuation agents)

The work carried out by Freeth Cartwright included

- Drafting all administration documents including application, witness statements, statements of proposed administrators, joint administrators' statement, statement of service
- Serving the documentation on all relevant parties
- Issuing the application at the court
- Instructing and communicating with Counsel in relation to the hearing of the Administration Order
- Attending the Court hearing of the Administration Order
- Drafting and agreeing the sale and purchase agreement
- Drafting and agreeing the debenture

Freeth Cartwright have yet to raise an invoice for the work carried out on behalf of the Joint Administrators pre appointment However they have advised that their pre-appointment fees and disbursements total £5,530 00

As detailed earlier in this report, the Administration order stated that the legal costs be paid as an expense of the administration

The work carried out by Eddisons includes

- Initial discussion and meeting with the directors
- Request for supplementary information such as stock levels, third party asset details, financial information and supplier information
- Advising the Joint Administrators on the offers that had been received
- Concluding sale negotiations with Health & Safety Training (South Wales) Limited

The Joint Administrators have yet to receive an invoice from Eddisons however Eddisons are to be remunerated on a time costs basis + 10% of asset realisations of the assets sold Eddisons have stated that the fees that they incurred up to the appointment date were £3,825 (which includes the 10% asset realisation fees)

Both Eddisons and Freeth Cartwright have been used because of their vast experience, expertise and knowledge within their line of work that was required in order to achieve a better realisation for creditors

As mentioned earlier in this report, if the business was not placed into Administration, then there would have been a significantly reduced value in the Company's goodwill and chattel assets

By entering into Administration, the Company's assets were sold for £27,000 ultimately fulfilling the objective of achieving a better realisation for creditors

The following statement sets out Bridgestones pre-appointment fees and expenses incurred. The statement shows that no fees or expenses were paid prior to the administration and those where approval is being sought to pay them from administration funds

Description	Paid on account £	To be paid £
Administrator's remuneration	NIL	4,622 00
Valuation agents	NIL	3,825 00
Legal fees	NIL	5,530 00
Total	NIL	13,977 00

If a committee is appointed at the meeting of creditors, the Joint Administrators will initially seek approval from the committee for payment of the pre-appointment fees and expenses that have not yet been paid. If the committee does not approve those fees, or it approves the fees at a level that the Joint Administrators feel is insufficient, then the Joint Administrators may seek approval from a further meeting of creditors or failing that, from the court.

If a committee is not appointed, then since the pre-appointment fees and expenses that have not yet been paid cannot be approved within these proposals, the Joint Administrators will seek a separate resolution to approve them at the meeting.

12 ADMINISTRATORS' PROPOSALS & EXPECTED OUTCOME OF THE ADMINISTRATION

The following constitute the Joint Administrators' proposals

- The Joint Administrators will continue to collect monies outstanding from the sale agreement
- The Joint Administrators will continue to collect monies due to the Company in relation to the outstanding debtor ledger
- The Joint Administrators anticipate that when the realisation of the Company's assets are completed, and after the costs of the administration have been satisfied, then funds will be made available to the Company's creditors
- Following payment in full under the fixed charge, if any funds remain, then these funds will be made available to the preferential creditors (if any)
- If, following payment in full to preferential creditors, any funds remain, then these funds will be made available to the floating charge holder (Lloyds TSB Bank Plc) subject to the calculation and retention of funds to be set aside for unsecured creditors

- The Joint Administrators' will continue to investigate the affairs of the Company and will submit a Conduct Report to the Insolvency Services of the Department of Trade and Industry pursuant to the Company Directors Disqualification Act 1986 regarding the directors. This report is confidential so we cannot disclose its content
- The Joint Administrators' will investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company whether in contract or otherwise, including any officer or formal officer of the Company or any person, firm or Company, which supplies or has supplied goods or services to the Company
- The Joint Administrators' will do all such things and generally exercise all their powers as Joint Administrators as they have in their discretion and consider desirable or expedient in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- If the Joint Administrators' consider it appropriate once realisations have been made they may, in the interests of creditors, consider making an application to Court for permission to make a distribution to unsecured creditors within the administration pursuant to paragraph 65 of Schedule B1 of the Insolvency Act 1986. Should this course of action be considered appropriate the Administrators will be permitted to conclude the Administration in accordance with Paragraph 80 of Schedule B1 to the Insolvency Act 1986. Due to the timeframe for the collection of the outstanding debtor ledger, it is not anticipated at this time that the Joint Administrators will be in a position to distribute a dividend to unsecured creditors within twelve months
- It is proposed that the Administration will end by placing the Company into Creditors Voluntary Liquidation ("CVL"). It is proposed that Jonathan Lord be appointed the Liquidator of the Company. Creditors may nominate a different person(s) as the proposed liquidator(s), but must make this nomination at any time after receiving these proposals, but before they are approved
- It should be noted that under Section 83 of Schedule B1 of the Insolvency Act 1986 that it is possible to put the Company into CVL only when the total amount which each secured creditor of the Company is likely to receive has been paid to him or set aside for him and the Administrator is satisfied that funds remain to ensure that a distribution will be made to unsecured creditors
- It is proposed that if a distribution to unsecured creditors is not expected to be made and/or issues are discovered that require further investigation, then the Administration will end by the presentation of a winding up petition to the court for the compulsory liquidation of the Company, and that Jonathan Lord be appointed Liquidator of the Company in compulsory liquidation
- If the Joint Administrators consider it appropriate they may make an application to court for an extension of the Administration period
- In the event that all the Company's assets have been realised and distributed, and there is no further property, which might permit a distribution to creditors, the Administration of the Company will end by filing notice of dissolution with the registrar of Companies. The Company will then automatically be dissolved by the Registrar of Companies 3 months after the notice is registered

- The Joint Administrators' propose to be remunerated by reference to the time properly given by the Joint Administrators' and their staff in attending to matters arising in the Administration, and to draw remuneration on account as and when required
- The Joint Administrators propose to draw category 2 expenses as outlined in appendix 2 of these proposals
- The Joint Administrators propose to pay the pre-appointment expenses (Legal and Agents Costs) incurred in relation to placing the Company into Administration as an expense of the administration

13. APPROVAL OF PROPOSALS

The Joint Administrators are holding a meeting of creditors to enable creditors to consider and vote on our formal proposals to achieve the objective of the administration of the company. The meeting will be held on 26th February 2013 at 11 00am at Days Inn Michaelwood Service Area, M5 Northbound, Dursley, Gloucestershire, GL13 9JS and a formal notice about the meeting is enclosed with these proposals

Enclosed are a proxy form and a proof of debt form for your use at the meeting of creditors. As a creditor you can only vote if you complete and send these forms to us and your claim form is admitted. The Joint Administrators' must receive your completed forms by no later than noon on the business day before the day of the meeting. You are not required to attend the meeting, and non-attendance will not affect your rights against the company. Creditors whose claims are wholly secured are not entitled to vote, but can attend or be represented at the meeting.

The meeting of creditors will be given the opportunity to appoint a creditors' committee. A committee is made up of between three and five representatives of creditors who will then meet the Joint Administrators' on a regular basis to discuss the administration of the company. If a committee is appointed then it will be for them to approve the Joint Administrators' remuneration (and category 2 expenses). If a committee is not appointed then approval of the Joint Administrators' remuneration (and category 2 expenses) will be considered as part of these formal proposals.

14. FURTHER INFORMATION

Should you require any further information relating to these proposals or the administration of the company please do not hesitate to contact Miss Lindsey Miller at this office on the telephone number 0161 785 3700



Jonathan Lord - MIPA
Joint Administrator
RT Training Services Limited

29th January 2013

RT TRAINING SERVICES LIMITED

APPENDICES

1. ESTIMATED OUTCOME STATEMENT, NOTES & LIST OF CREDITORS
2. JOINT ADMINISTRATORS' TIME COSTS PRE APPOINTMENT & POST APPOINTMENT
3. CREDITORS' GUIDE TO ADMINISTRATOR'S FEES
4. PROOF OF DEBT FORM
5. PROXY FORM
6. NOTICE OF CREDITORS MEETING

APPENDIX 1 – ESTIMATED OUTCOME STATEMENT, NOTES & CREDITORS LIST

RT TRAINING SERVICES LIMITED

ESTIMATED OUTCOME STATEMENT AS AT 4TH JANUARY 2013

	Notes	Book Value £	Estimated to Realise £
<u>ASSETS SUBJECT TO FIXED CHARGE</u>			
Goodwill	1		3,000
Less Due to Lloyds TSB Bank Plc	2		(38,000)
Deficit to Lloyds TSB Bank Plc C/D			<u>(35,000)</u>
<u>ASSETS SUBJECT TO FLOATING CHARGE</u>			
Office Furniture & Equipment	3	32,054	24,000
Book Debts	4	72,844	65,560
			<u>89,560</u>
ASSETS AVAILABLE FOR PREFERENTIAL CREDITORS			
<u>PREFERENTIAL CREDITORS</u>			
Employee Claims Wages And Holiday Pay	5		<u>0</u>
ESTIMATED SURPLUS AS REGARDS PREFERENTIAL CREDITORS			89,560
LESS FUNDS SET ASIDE FOR UNSECURED CREDITORS C/D	6		<u>(21,912)</u>
ASSETS AVAILABLE FOR FLOATING CHARGE CREDITORS			67,648
Less Due to Lloyds TSB Bank Plc B/D	2		<u>(35,000)</u>
SURPLUS FROM FLOATING CHARGE CREDITOR			32,648
FUNDS SET ASIDE FOR UNSECURED CREDITORS B/D			<u>21,912</u>
TOTAL ASSETS AVAILABLE TO UNSECURED CREDITORS			54,560
<u>NON-PREFERENTIAL CREDITORS</u>			
HM Revenue & Customs (PAYE)	7	(48,924)	
HM Revenue & Customs (VAT)	7	(50,138)	
Trade & Expense Creditors	8	(35,470)	
Directors Loan	9	<u>(42,544)</u>	<u>(177,076)</u>
ESTIMATED DEFICIENCY AS REGARDS NON-PREFERENTIAL CREDITORS			(122,516)
<u>SHARE CAPITAL</u>			
220 Ordinary £1 Shares			(220)
ESTIMATED TOTAL DEFICIENCY AS REGARDS MEMBERS			<u><u>£ (122,736)</u></u>

RT TRAINING SERVICES LIMITED

NOTES TO THE ESTIMATED OUTCOME STATEMENT **AS AT 4TH JANUARY 2013**

- 1 Eddisons, professional valuers and auctioneers, valued the Company's goodwill at £15,000. However the Company Directors believed that the goodwill should be valued at circa £3,000, as following notification of the administration process, a number of its clients removed all ongoing contracts. The goodwill was therefore sold for £3,000 on the 18th January 2013 to Health & Safety Training (South Wales) Limited.
- 2 The Company banked with Lloyds TSB Bank Plc where it utilised both loan and overdraft facilities secured by way of a fixed and floating charge registered at Companies House on the 15th August 2009.
- 3 The Company's last filed accounts show that it held tangible assets with a book value of £32,054. This entry related to the Company's office furniture and equipment, which has subsequently been valued by Eddisons and given an estimated to realise value of £12,000.
- 4 At the time of cessation of trade the Company had an outstanding unencumbered debtor ledger with a book value of £72,844.16. This figure has been reduced by 10% to allow for the possibility of bad or doubtful debt.
- 5 The Company owes its former employees wages and other monies. These monies are protected under employment protection legislation, and may be paid in part, or in full by the Redundancy Payments Service. Claims for wages and holiday pay have preferential status in the Administration. Claims for redundancy and notice pay have unsecured status in the Administration.
- 6 There are provisions of the insolvency legislation that require an administrator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "qualifying floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An administrator has to set aside
 - 50% of the first £10,000 of the net property, and
 - 20% of the remaining net property up to a maximum of £600,000

The estimated net property in this case is £89,560 and the prescribed part is currently estimated at £21,912, but creditors should note that the costs and expenses of these proceedings will be deducted before the net property is calculated so that both the net property and any prescribed part value is likely to change significantly.

- 7 Crown Preference was abolished with effect from 15th September 2003, therefore the liability to HM Revenue & Customs has unsecured status within the liquidation
- 8 There is a schedule of Trade and Expense Creditors attached to this report
Should creditors claims differ from those stated on this schedule, this will not prejudice creditors from proving for the correct amount
- 9 The Director, Mr Robert Thompson, has injected funds into the Company on an unsecured basis

COMPANY CREDITORS.

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

Name of Creditor or Claimant	Address (with postcode)	Amount of Debt	Details of any security held by Creditor	Date security given	Value of security £
BIIAB	Wessex House, 80 Park Street, Camberley, CF39 9DL	4,690 80			
G & J Williams	Unit 6 Melyn Mawr Business Centre, Wentloog Avenue, Rumney, Cardiff, CF3 2EX	18,257 00			
HM Revenue & Customs (PAYE)	Insolvency & Securities, 3rd Floor, Euston Tower, 286 Euston Road, London, NW1 3UQ	48,923 61			
HM Revenue & Customs (VAT)	5th Floor Regian House, James Street, Liverpool, L75 1AD	50,138 37			
Lloyds TSB Bank Plc	Wholesale Banking Recoveries, Bank House, Wine Street, Bristol, BS1 2AN	38,000 00			
Mr Robert Thompson	12 Ross Close, Highlands, Pontypridd, Mid Glamorgan, CF37 1XG	42,544 00			
R C T County Borough Council	Bronwydd House, Porth, CF39 9DL	6,012 00			
Trustmark	Jeva House, Talbot Road, Talbot Green, Pontyclun, CF72 8AF	6,510 23			

RT TRAINING SERVICES LIMITED - IN ADMINISTRATION

Analysis of Pre Appointment Time Costs
For the Period To 4th January 2013

Classification of work Function	HOURS			Time Cost £	Average Hourly Rate £
	Joint Administrators	Senior Manager	Total Hours		
Administration and Planning	7 00	11 30	18 30	4,527 00	247 38
Realisation of Assets	0 00	0 50	0 50	95 00	190 00
Total Hours	7 00	11 80	18 80	4,622 00	245 85
Total Fees Claimed (£)	2,380 00				

Hourly Rate Range	From	To
Joint Administrators	340 00	340 00
Senior Manager	190 00	190 00

RT TRAINING SERVICES LIMITED - IN ADMINISTRATION

**Analysis of Post Appointment Time Costs
For the Period From 4th January 2013 to 29th January 2013**

Classification of work Function	HOURS			Time Cost £	Average Hourly Rate £
	Joint Administrators	Senior Manager	Total Hours		
Administration and Planning	2 00	12 90	14 90	3,131 00	210 13
Realisation of Assets	0 60	3 50	4 10	869 00	211 95
Creditors	1 00	9 90	10 90	2,221 00	203 76
Investigation	0 00	0 60	0 60	114 00	190 00
Total Hours	3 60	26 90	30 50	6,335 00	207 10
Total Fees Claimed (£)	1,224 00	5,111 00			

Hourly Rate Range	From	To
Joint Administrators	340 00	340 00
Senior Manager	190 00	190 00

Category 2 Disbursements

These fees will cover all category 2 disbursements as classified in the "Creditors Guide to Insolvency Practitioner's Fees" and will be based on the following charges

Photocopying	15p per copy
Box Storage	£2 50 per month
Printed Paper	15p per sheet
Copy Paper	10p per sheet
Mileage	13p – 40p per mile
Room Hire	£60 per half day

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES**ENGLAND AND WALES**

1 Introduction

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

2 The nature of administration

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

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

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

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

3 The creditors' committee

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

4 Fixing the administrator's remuneration

- 4 1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed

- as a percentage of the value of the property which the administrator has to deal with,
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount

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

It is for the creditors' committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the

committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

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

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

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

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

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

having regard to the same matters as the committee would.

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

4.4 A resolution of creditors may be obtained by correspondence.

5 Review of remuneration

5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 Approval of pre-administration costs

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

6.2 Where there is a creditors' committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency

practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator's remuneration.

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

7 What information should be provided by the administrator?

7.1 When seeking remuneration approval

- 7.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on

- the nature of the approval being sought,
- the stage during the administration of the case at which it is being sought, and
- the size and complexity of the case

- 7.1.2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

- 7.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

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

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

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

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain

- Any significant aspects of the case, particularly those that affect the amount of time spent
- The reasons for subsequent changes in strategy
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement
- Any existing agreement about fees
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

- 7.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff

7.2 After remuneration approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 8.1 below). Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 7.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 7.1.4 above regarding work which has been sub-contracted out.

7.3 Disbursements and other expenses

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements, but there is provision for the creditors to challenge them, as described below. Professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

8 Progress reports and requests for further information

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

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done

- during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period,
 - the date of approval of any pre-administration costs and the amount approved,
 - a statement of the creditors' rights to request further information, as explained in paragraph 8 2, and their right to challenge the administrator's remuneration and expenses
- 8 2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court
- 8 3 The administrator must provide the requested information within 14 days, unless he considers that
- the time and cost involved in preparing the information would be excessive, or
 - disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
 - the administrator is subject to an obligation of confidentiality in relation to the information requested,

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

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

9 Provision of information – additional requirements

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

The information which must be provided is –

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

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

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

10 What if a creditor is dissatisfied?

- 10 1 If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court
- 10 2 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8 1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing

- 10 3 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration.

11 What if the administrator is dissatisfied?

- 11 1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

12 Other matters relating to remuneration

- 12 1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.
- 12 2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.
- 12 3 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made.
- 12 4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them.

13 Effective date

This guide applies where a company enters administration on or after 6 April 2010, except where

- the application for an administration order was made before that date, or
- where the administration was preceded by a liquidation which commenced before that date

RT TRAINING SERVICES LIMITED – (IN ADMINISTRATION)
PROOF OF DEBT FORM

Date of Administration Order:

4th January 2013

Name of Creditor:

Address of Creditor:

Gross amount of claim

(i.e. including VAT)

Amount of VAT

**Details of any document by reference
to which the debt can be
substantiated:**

(e.g. invoices)

**Particulars of how and when debt
incurred.**

**Particulars of any security held, the
value of the security and the date it:
was given**

**Signature of creditor or person
authorised to act on his behalf:**

Name in BLOCK CAPITALS.

Position with or relation to creditor:

APPENDIX 5 – PROXY FORM

Rule 8 1

Proxy (Administration)

**TITLE: RT TRAINING SERVICES LIMITED – IN
ADMINISTRATION**

Please give full name and
address for communication

Name of Creditor

Address

Please insert the name of person
(who must be 18 or over) or the
Chairman of the Meeting. If you
wish to provide for alternative proxy
holders in the circumstances that
your first choice is unable to attend,
please state the name(s) of the
alternatives as well

Name of Proxy Holder

- 1
- 2
- 3

Please delete words in brackets if
the proxy holder is only to vote as
directed i.e. has no discretion

I appoint the above person to be my/the creditor's proxy holder at the
meeting of creditors on 26th February 2013 and at any adjournment of that
meeting. The Proxy holder is to propose or vote as instructed below (and in
respect of any resolution for which no specific instruction is given, may vote
or abstain at his/her discretion)

Voting Instructions for Resolutions

* Please delete as appropriate

1 For the acceptance / rejection* of the administrator's proposals / revised
proposals* as attached

2 For the acceptance / rejection* of the administrator's being remunerated
on a time cost basis

3 For the acceptance / rejection* of the pre appointment fees and
expenses being paid

For the appointment of

of

representing

As a member of the Creditor's Committee

Signature Date.

Name in CAPITAL LETTERS... ..

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

This form must be signed

APPENDIX 6 – NOTICE OF CREDITORS MEETING

Notice of a meeting of creditors

Name of Company
RT Training Services Limited

Company number
05769288

In the High Court of Justice, Chancery Division, Manchester
District Registry

Court case number
3475 of 2012

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

Notice is hereby given by (a) Jonathan Lord and Robert Cooksey of Bridgestones, 125/127 Union Street, Oldham, OL1 1TE

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

that a meeting of the creditors of (b) RT Training Services Limited, C/O 125/127 Union Street, Oldham, OL1 1TE

(c) Insert details of place
of meeting

is to be held at (c) Days Inn Michaelwood, Michaelwood Service Area, M5 Northbound, Dursley, Gloucestershire, GL13 9JS

(d) Insert date and time of
meeting

on (d) 26th February 2013 at 11 00am

The meeting is

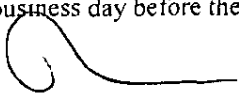
*Delete as applicable

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

We invite you to attend the above meeting

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

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of your claim

Signed 
Joint Administrator(s)

Dated 5th February 2013

* Delete as applicable A copy of the *proposals / ~~revised proposals~~ is attached