

The Insolvency Act 1986

**Administrator's progress report****2.24B**

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 / 2012

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

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

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(b) Insert dates

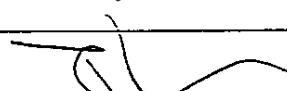
administrator(s) of the above company attach a progress report for the period

from

to

(b) 4<sup>th</sup> January 2013(b) 4<sup>th</sup> July 2013

Signed

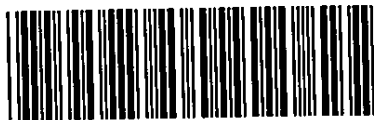
  
 Joint / Administrator(s)
Dated 8<sup>th</sup> July 2013**Contact Details**

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.

	Tel.
DX Number	DX Exchange

If 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

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12/07/2013

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COMPANIES HOUSE

IN THE HIGH COURT OF JUSTICE

NO 3475 OF 2012

CHANCERY DIVISION

MANCHESTER DISTRICT REGISTRY

IN THE MATTER OF RT TRAINING SERVICES LIMITED

AND

IN THE MATTER OF THE INSOLVENCY ACT 1986

JOINT ADMINISTRATORS' REPORT TO CREDITORS  
PURSUANT TO RULE 2 47  
OF THE INSOLVENCY RULES 1986

**INTRODUCTION**

On 4<sup>th</sup> January 2013, Jonathan Lord - MIPA and Robert Cooksey - MIPA both of Bridgestones, 125/127 Union Street, Oldham, OL1 1TE were appointed Joint Administrators of the Company following an application by the Director, Mr Robert Thompson under the provisions of paragraph 12 of Schedule B1 of The Insolvency Act 1986 as amended

The Joint Administrators make this progress report, pursuant to Rule 2 47 of the Insolvency Rules 1986 I report with Robert Cooksey's agreement Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Joint Administrators acting jointly or alone

Please note that this is a "pre pack" Administration

This report should be read in conjunction with the Joint Administrators proposals dated 29<sup>th</sup> January 2013

**STATUTORY INFORMATION**

Company Name	RT Training Services Limited
Company Number	05769288
Date of Incorporation	4 <sup>th</sup> April 2006
Registered Office	C/O Bridgestones 125/127 Union Street Oldham OL1 1TE
Previous Registered Office & Trading Address	Unit C Upper Boat Business Centre Treforrest Pontypridd, CF37 5BP

Principal Trading Activity	Provider of health & safety training courses
Issued Share Capital	220
Shareholders	Nicholas James Thompson (33) Stuart Charles Thompson (33) Robert Thompson (108) Hilary Margaret Thompson (46)
Director	Nicholas James Thompson Stuart Charles Thompson Robert Thompson Hilary Margaret Thompson
Company Secretary	Hilary Margaret Thompson
Date of Appointment	4 <sup>th</sup> January 2013
Name of Appointer	Nicholas James Thompson Stuart Charles Thompson Robert Thompson Hilary Margaret Thompson

### **CREDITORS MEETING**

The Joint Administrators summoned an initial creditors meeting on 26<sup>th</sup> February 2013 to consider the proposals

At the meeting, the Joint Administrators proposals were accepted by the creditors

### **RECEIPTS AND PAYMENTS ACCOUNT**

Please find attached a copy of the Joint Administrators receipts and payments account for the period 4<sup>th</sup> January 2013 to 4<sup>th</sup> July 2013

### **ASSETS**

#### **Book Debts – Estimated Outcome Statement Value - £65,559**

The Company has an outstanding unencumbered debtor ledger, which had a book value of £72,844 16 against which £65,559 was believed to be realisable

Following the appointment of the Joint Administrators, attempts were made to collect the outstanding ledger. However this resulted in limited success. Consequently Commercial Asset Management, an experienced construction industry debt collection agency, has been appointed to assist in the collection of the outstanding debtor ledger.

To date the sum of £8,446 76 has been received in relation to the collection of the debtor ledger, with action still being undertaken by Commercial Asset Management

**Goodwill - Estimated Outcome Statement Value £3,000**  
**Office Furniture & Equipment – Estimated Outcome Statement Value £24,000**

This is a “pre-pack” administration

The Company's goodwill, office equipment and furniture, with a combined value of £27,000, were sold to Health & Safety Training (South Wales) Ltd on a deferred sale agreement basis

The terms of the sale agreement included an initial payment of £5,000 to be paid followed by 2 additional payments of £10,000 and £7,000. Payment was secured by way of a charge over Health & Safety Training (South Wales) Ltd and a personal guarantee from Mr Robert Thompson

To date the sum of £27,000 has been received in full settlement of the sale agreement

No further realisations are expected in this regard

### **VAT Receipts**

The VAT aspect of VAT rated expenses incurred in the running of the Administration is reclaimable as a VAT Refund. If money is available in the estate account to pay these expenses then the subsequent VAT refund is a receipt of the Administration. The VAT refund represents expenses incurred after the Company entered Administration, and bears no relation to any claim the HM Revenue and Customs have lodged

## **LIABILITIES**

### **Preferential Creditors**

As stated in the Joint Administrators' previous report, as this is a pre pack administration, there is a sale of the business as a going concern. As such the Company's employees were transferred to Health & Safety Training (South Wales) Ltd under TUPE regulations

As such no preferential claims are anticipated

### **Floating Charge Creditor**

Lloyds TSB Bank Plc has a fixed and floating charge over the Company's assets (registered at Companies House on 15<sup>th</sup> August 2009) and it was estimated that the bank was owed in the region of £38,000 at the time of cessation of trade. However Lloyds TSB Bank Plc have yet to submit a claim in the Administration

### **Unsecured Creditors**

Unsecured claims totalling £167,099 have been received, compared to the Statement of Affairs figure of £178,876. This variation occurs as a claim has yet to be submitted by Mr Robert Thompson

## **JOINT ADMINISTRATORS ACTIONS SINCE APPOINTMENT**

This report covers the period 4<sup>th</sup> January 2013 to the 4<sup>th</sup> July 2013

As detailed earlier in this report, a large amount of time has been spent liaising with both Health & Safety Training (South Wales) Ltd and Commercial Asset Management in relation to the sale agreement and outstanding debtor ledger

Following the receipt of instructions from the Joint Administrators, Commercial Asset Management has been undertaking the recovery of monies due to the Company. This has resulted in conference calls being undertaken and meetings to discuss both progress and possible further action required.

The Joint Administrators have also entered into discussions with Mr Robert Thompson, in order to obtain information and payment under the terms of the "pre-pack" sale agreement.

## **INVESTIGATION INTO THE AFFAIRS OF THE COMPANY**

The Joint Administrators have undertaken an investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigations, taking account public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

There were no matters that justified further investigation in the circumstances of this appointment and the Joint Administrators have found no other assets than those disclosed above.

The Joint Administrators have undertaken a preliminary review of the Company's financial records for the 6 months prior to administration to identify any unusual or exceptional transactions.

The Joint Administrators have compared the information within the estimated outcome statement with the last accounts produced by the Company to ascertain whether all significant assets can be identified and material movements in asset values can be explained.

The Joint Administrators have undertaken work compulsory to their position, which includes submissions of returns to HM Revenue & Customs (where relevant), Companies House and specific penalty bonding. This is not an exhaustive list of duties.

In accordance with our statutory duties a Conduct Report to the Insolvency Services of the Department of Business Enterprise and Regulatory Reform pursuant to the Company Directors Disqualification Act 1986 regarding the directors has been submitted. This report is confidential so the Joint Administrators' cannot disclose its content.

## **PRE - ADMINISTRATION COSTS**

Please note that at a meeting of creditors held on 26<sup>th</sup> February 2013, creditors accepted that pre - appointment fees and expenses are to be paid as an expense of the Administration.

## **JOINT ADMINISTRATORS' REMUNERATION**

The Joint Administrators' have been authorised by unsecured creditors at the meeting of creditors on 26<sup>th</sup> February 2013 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

For the information of the creditors, the total time costs to date relating to work performed by the Joint Administrators' and their staff in administering to the Administration is currently £10,208, which equates to 47 90 hours charged at an average rate of £213 11 per hour. A schedule of time costs incurred to date is attached

The Joint Administrators' have drawn remuneration of £11,000 + VAT on account which consists of £4,622 due in relation to pre appointment time incurred, as approved at the creditors meeting on the 26<sup>th</sup> February 2013, and £6,378 in relation to time spent post appointment

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
- Reviewing and storage of records
- 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**

- Liaising with the Directors of the Company with regards to the Company affairs
- Reviewing 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 an Administrator / 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

#### **Realisation of Assets**

- Corresponding with debt collection agents in relation to the collection of the outstanding unencumbered debtor ledger
- Liaising with the Company's bank regarding the closure of the account
- Investigating whether additional recoveries could be made resulting in potential realisations from the sale of assets prior to the Joint Administrator's appointment

#### **Cashiering**

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

The following category 2 disbursements have been accrued in relation to the ongoing administration

- 1) Box storage at £15 00 1 boxes a £2 50 per month for a period of six months
- 2) Copy paper at £40 00 400 items at £0 10
- 3) Printed paper at £45 00 300 items at £0 15
- 4) Postage at approximately £20 80 20 items at an average of £1 04

Although these disbursements have been accrued they have not been drawn

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 together with an explanatory note, which shows Bridgestones fee policy

#### **JOINT ADMINISTRATORS' EXPENSES**

The payments listed on the Receipts & Payments account should be self - explanatory, however I will comment as follows

##### **Agents / Valuers Fee**

A payment of £3,825 + VAT was made to Eddisons Commercial Ltd, professional valuers and auctioneers, in relation to the work carried out regarding the valuation and sale of the Company's assets. A breakdown of the work carried out by Eddisons Commercial Ltd is detailed in my previous report

Eddisons Commercial Ltd was remunerated on a time costs basis

##### **Court Fees**

The sum of £175 00 has been paid in relation to court fees levied in relation to the filing, and subsequent hearing of the Administration Order

##### **Legal Fee & Disbursements**

A payment of £8,100 + VAT has been made to Freeth Cartwright LLP for the work undertaken during the course of the Administration. A breakdown of the work carried out by Freeth Cartwright is detailed in my previous report

Freeth Cartwright are remunerated on a time costs basis. Included in this amount is £7,464.43 + VAT of pre appointment costs. The Administration order stated that the costs of the application including legal costs be paid as an expense of the Administration.

A payment of £16.00 + VAT has also been made to Freeth Cartwright LLP relating to the disbursements previously paid by them.

A further payment of £900 + VAT has been made to Freeth Cartwright LLP in relation to Counsel fees raised. This fee is specifically in reference to the attendance of a barrister at the hearing for the Administration order.

It should be noted that the choice of professionals was based on the Joint Administrators' perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of fee arrangement with them. The fees charged have been reviewed and the Joint Administrators are satisfied that they are reasonable in the circumstances of the case.

### **Specific Bond**

A specific bond has been paid which is an insurance policy taken out by the Insolvency Practitioner. This policy covers the value of the assets within the Administration against possible theft by the Insolvency Practitioner responsible. It is required by law to be taken out in any case where there are assets and is for the benefit of the creditors.

### **Public Notices**

The Administration was advertised at various times in the London Gazette and a national newspaper by law. These entries represent the costs associated with placing the adverts.

### **Bank Account Running Charges**

Following the Administration of the Company, an interest bearing bank account is opened in the Company's name. The sum of £6.00 has been charged by the Bank, being in this instance the National Westminster Bank Plc, for the running of this account.

### **Further Information**

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Joint Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Joint Administrators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.



## **DIVIDEND PROSPECTS**

### **Remaining Balance**

An amount of £6,481.08 remains in an interest bearing estate account

### **Secured Creditors**

Lloyds TSB Bank Plc hold a fixed and floating charge over the Company's assets as registered at Companies House on the 15<sup>th</sup> August 2009. Through this the Bank hold a first charge on the Companies goodwill, which was sold as part of the pre-pack sale agreement to Health & Safety Training (South Wales) Ltd.

Consequently, following the validation of the bank's charge, it is anticipated that a payment of £3,000 will be made to Lloyds TSB Bank Plc in relation to the sale of the Company's goodwill.

### **Preferential Creditors**

It is anticipated that no preferential claim will be submitted by the Redundancy Payments Office in relation to the payment of employee's wages and holiday pay.

### **Unsecured Creditors**

At this time it is anticipated that there will not be any funds available for the benefit of the Company's unsecured creditors.

However this position may alter in line with the continued realisations of the Company's outstanding debtor ledger.

## **EXIT STRATEGY AND SUMMARY**

As detailed in the Joint Administrators' proposals dated 29<sup>th</sup> January 2013, under the provisions of paragraph 76(1) of Schedule B1 of the Insolvency Act 1986, the Joint Administrators' appointment will cease to have effect on the 3<sup>rd</sup> January 2014, unless application is made to Court to extend the period.

The Joint Administrators do not believe that extending the period will be necessary and therefore in accordance with the proposals, steps will shortly take place to either place the Company in liquidation or dissolve the Company, seeking our discharge as Joint Administrator's at the same time.

It is likely that the collection of the Company's debtor ledger will not be completed within the 12 month Administration timeframe.

As funds are still to be collected which should allow a distribution to be made to the Floating Charge Creditor, it is likely, at this stage, that the exit strategy of the Administration will be placing the Company into Compulsory Liquidation, where Jonathan Lord of Bridgestones will seek appointment as Liquidator. Please note that no other nominations to act as Liquidator have been received at this office.

The appointed Liquidator will continue the collection of the assets that are still to be realised.

If there are insufficient funds to be made to unsecured creditors, then the Joint Administrator's will take steps to close the Administration by the exit route of dissolution under Section 84(1) of Schedule B1 to the Insolvency Act 1986 which will lead to the Company being struck off by the registrar, however this exit route is unlikely

Should you have any queries regarding this matter or the content of this report, then please do not hesitate to contact Miss Lindsey Miller at this office

A handwritten signature in black ink, consisting of a stylized 'J' followed by a long, sweeping horizontal line that ends in a small upward flick.

Jonathan Lord - MIPA  
Joint Administrator  
RT Training Services Limited

# Bridgestones Limited

RT Training Services Limited RT Training Services Limited in Joint Administration

## **Joint Administrators' Account of Receipts and Payments**

For the Period 4 January 2013 to 4 July 2013

As per Statement of Affairs	Year 1		TOTALS
	04/01/2013	To 04/07/2013	
<b>Receipts</b>	<b>£</b>		
Asset realisation	27,000 00		27,000 00
Book Debts	8,446 76		8,446 76
Bank Interest Net of Tax	1 32		1 32
VAT Receipts			0 00
<b>Total Receipts</b>	<b>35,448 08</b>		<b>35,448 08</b>
<b>Payments</b>	<b>£</b>		
Agents/Valuers Fee	3,825 00		3,825 00
Legal Fee	8,100 00		8,100 00
Legal Disbursements	16 00		16 00
Specific Bond	180 00		180 00
Court Fees	175 00		175 00
Administrators Remuneration	11,000 00		11,000 00
Counsel's Fees	900 00		900 00
Bank Account Running Charges	7 20		7 20
VAT Payments	4,765 00		4,765 00
<b>Total Payments</b>	<b>28,968 20</b>		<b>28,968 20</b>
<b>Net Receipts</b>	<b>6,479 88</b>		<b>6,479 88</b>
<b>Balance c/f</b>			
<b>Balance Remaining</b>	<b>6,479 88</b>		

Ref 9004

# RT Training Services Limited RT Training Services Limited in Joint Administration

## Analysis of Time Costs for the Period from 4 January 2013 to 4 July 2013

Classification of work function	Hours								Average Hourly Rate (£)
	Insolvency Practitioner	Director	Senior Manager	Manager	Case Administrator	Cashiering	Support Staff	Total Hours	Time Costs (£)
Administration and Planning	4 90	0 00	15 30	0 00	0 00	0 00	0 00	20 20	4,573 00
Realisation of Assets	2 90	0 00	9 90	0 00	0 00	0 00	0 00	12 80	2,977 00
Creditors	1 00	0 00	9 90	0 00	0 00	0 00	0 00	10 90	2,221 00
Investigation	0 00	0 00	0 60	0 00	0 00	3 40	0 00	4 00	437 00
Total Hours	8 80	0 00	35 70	0 00	0 00	3 40	0 00	47 90	10,208 00
Total Fees Claimed (£)	3,038 00	0 00	6,847 00	0 00	0 00	323 00	0 00		

Hourly Rate Range	From	To
Insolvency Practitioner	340 00	360 00
Director	0 00	0 00
Senior Manager	190 00	200 00
Manager	0 00	0 00
Case Administrator	0 00	0 00
Cashier	95 00	95 00
Assistants & Support Staff	0 00	0 00