

In accordance with  
Rule 3.35 of the Insolvency  
(England and Wales)  
Rules 2016 Paragraph  
49(4) of Schedule B1  
to the Insolvency Act  
1986 and regulation 9(5)  
of The Administration  
(Restrictions on Disposal  
etc. to Connected Persons)  
Regulations 2021.

# AM03

## Notice of administrator's proposals



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 5 4 9 6 5 9 2

Company name in full Rhino's Plant Hire Limited

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

### 2 Administrator's name

Full forename(s) Sonia

Surname Baigent

### 3 Administrator's address

Building name/number 5

Street Old Forge Road

Ashby Magna

Post town Lutterworth

County/Region LE17 5NL

Postcode L E 1 7 5 N L

Country

### 4 Administrator's name ①

Full forename(s)

Surname

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

### 5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

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

## AM03 Notice of Administrator's Proposals

### 6 Statement of proposals

☒ I attach a copy of the statement of proposals

### 7 Qualifying report and administrator's statement <sup>①</sup>

☐ I attach a copy of the qualifying report

☐ I attach a statement of disposal

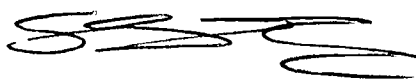
<sup>①</sup> As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)

### 8 Sign and date

Administrator's  
Signature

Signature

X



X

Signature date

30 11 2023

## AM03 Notice of Administrator's Proposals



### Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name Sonia Baigent

Company name Assist Business Consulting Ltd

Address 5 Old Forge Road

Ashby Magna

Post town Lutterworth

County/Region Leicestershire

Postcode L E 1 7 5 N L

Country

DX

Telephone 01455 560042



### Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



### Important information

All information on this form will appear on the public record.



### Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

**RHINO'S PLANT HIRE LIMITED  
(IN ADMINISTRATION)  
ADMINISTRATORS' STATEMENT OF PROPOSALS**

**CONTENTS**

- 1 Statutory and general information**
- 2 Circumstances leading to the appointment of the Administrator**
- 3 Objective of the administration**
- 4 Steps taken since the appointment of the Administrator**
- 5 Estimated financial position**
- 6 Basis of the Administrators' remuneration**
- 7 Administrators' expenses**
- 8 Pre appointment costs**
- 9 Administrators' proposals and exit from administration**
- 10 COMI Proceedings**
- 11 Approval of the proposals**

**APPENDICES**

- 1 Administrator's receipts and payments account**
- 2 Estimated Outcome Statement**
- 3 Estimated Outcome Statement submitted with Administration application**
- 4 Summary of time costs**
- 5 Proof of debt**
- 6 Assist Business Consulting Limited's fees and expenses information**
- 7 Notice of Invitation to Form Creditors Committee**
- 8 Notice to creditors of decision procedure by correspondence**
- 9 Voting Form**

**RHINO'S PLANT HIRE LIMITED  
(IN ADMINISTRATION)  
ADMINISTRATORS' STATEMENT OF PROPOSALS**

Following my appointment as Administrator of Rhino's Plant Hire Limited ("the Company") on 6 OCTOBER 2023, the following report is the Administrators' statement of proposals ("the Proposals") for achieving the purpose of the administration. The Insolvency Rules (England & Wales) 2016 determine the content of these Proposals.

**1 Statutory and general information**

**Court:** In the High Court of Justice Business and Property Courts in Birmingham  
CR-2023-BHM-000549

**Company number:** 05496592

**Other trading names:** n/a

**Administrator:** Sonia Baigent of Assist Business Consulting Limited, 5 Old Forge Road, Ashby Magna, Lutterworth, Leicestershire, LE17 5NL  
Licensed to act as an Insolvency Practitioner in the United Kingdom by the Insolvency Practitioners Association under registration number 9494.

**Name of appointer:** Steven Shelford in his capacity as director

**Date of appointment:** 6 OCTOBER 2023

**Authorised share capital:** 10 ordinary shares of £1 each

**Issued share capital:** 10 ordinary shares of £1 each

**Directors' details (within the last three years)**

Name	Appointed	Resigned
Steven Peter Shelford	1 July 2005	n/a

**Company secretaries for the last three years**

Name	Appointed	Resigned
Steven Peter Shelford	1 July 2005	n/a

**Shareholders' details:**

Name	No. of shares held	Type of shares
Shelford Group Limited	10	Ordinary

**2 Circumstances leading to the appointment of the Administrator**

- 2.1 The Company has been trading since 2005 in the business of plant hire. The Company carries on the business of hiring out construction equipment to the construction, demolition and civil engineering trades. Such equipment includes mini excavators, dumpers, forklifts, rollers, JCB loadalls and welfare cabins. The Company also offers equipment repairing services.
- 2.2 The Company carried out its business from Place Farm, Place Farm Lane, Doddington, Brentwood, England, CM15 0JA with the main administrative headquarters of the Company being at the same address.
- 2.3 Having been successful for many years and having built a substantial asset base and regular contracts,

the Company began experiencing cash flow difficulties on a monthly basis starting from around February/March 2023. Whilst the Company remained solvent overall, the day to day position was worsening. This was predominantly due to bad debts/ insolvent customers and an ever-increasing number of queries and disputes relating to customer payments. These not only took significant time to resolve and incurred administrative costs but also resulted in delayed receipts and had a knock-on effect on cash flow as a result.

- 2.4 At the same time purchase prices of equipment were rising and hire rates were decreasing, resulting in margins being squeezed. Several employees also left without notice and this left the Company struggling to keep up with operations (including delivery and collection of machines), impacted upon timing of invoicing and recoverability of debts, as well as limiting turnover.
- 2.5 The Company showed a very healthy asset position and overall solvent balance sheet. However, further investigation was needed to confirm actual realisation values for the assets involved. It was clear these final values would have a significant impact upon the Company's overall position.
- 2.6 The assets still needed to be collected in, which came with some inherent uncertainty as to value – for example, some large plant and machinery were on hire but without an up to date valuation it was not clear what the accurate value of it was; this was particularly uncertain in the current economic climate, where the prices in the market are both unpredictable and volatile, with significant changes on a week by week basis. Accordingly, at any given time, market fluctuations could have started to impact the Company's balance sheet leading to the Company potentially becoming insolvent once termination costs and other closure costs were taken into account. Conversely, those fluctuations could also have resulted in a solvent balance sheet.
- 2.7 The Company and its advisers (principally my firm) initially began exploring an exit via solvent liquidation. However, it was established during discussions that the key to being able to sign the Declaration of Solvency was going to be the ability to confirm accurate and realistic resale values of the Company's assets against the book values on the balance sheet. For the reasons set out above these were difficult to obtain with any certainty.
- 2.8 During my initial and informal discussions with John Pye and Sons (auctioneers), two issues were revealed: Due to the Company's equipment being out on hire at various locations at that point, the costs involved with retrieving the equipment would be high. Careful planning would be required with individual customers to ensure the equipment remained protected and could be collected in good condition, thus the retrieval process would be slow and costly. Additionally, there was an added complication of identifying which assets were secured and the nature of that security to ensure the best value for the assets were obtained. By the equipment being out on hire at different sites, this prevented a full and thorough assessment for accurate valuation purposes.
- 2.9 With equipment not being able to be secured simultaneously and potential theft and damage a very likely risk, the immediate cessation of trade and instruction of either an insolvency professional and/or agents were considered to be likely to have an adverse impact upon the Company's overall position, which would be to the detriment of creditors. There was also a potential adverse impact upon book debt realisations if equipment collections were made immediately and without notice.
- 2.10 The issues outlined above were compounded by the limited staff being available to deal with the asset collections and the vast amount of information required. The collation and provision of information would fall to the director of the Company predominantly and it would be a struggle for one person to effectively manage this process successfully in a very short timescale. There was also insufficient space for the assets to be all retrieved and stored at the Company's premises at the same time.
- 2.11 In order to secure the best return for creditors and the best position overall for the Company, the director of the Company commenced an orderly wind down process of returning hire items back to secured lenders as a priority and liaising with hire customers to tailor individual solutions to limit any adverse consequences on debt collection, create potential claims or result in asset devaluation. It was envisaged the same process would then be repeated with non-secured assets in due course.
- 2.12 This strategy was discussed and agreed with Natwest Group ('NG'), on behalf of the following:
  - 2.12.1 the holders of the floating charge and invoice discounting facility - RBS Invoice Finance Limited

('RBSIF');

2.12.2 the company bankers – Natwest Bank Plc ('Natwest')

2.12.3 asset financiers – Lombard North Central Plc ('Lombard')

- 2.13 It was subsequently discovered that a petition had been presented for the winding up of the Company by Charles Wilson Engineers Limited in the sum of £10,198.74 and was due to be heard on 4 September 2023.
- 2.14 The Company and its advisors immediately re-visited informal discussions with NG, to discuss the available options. Those discussions included formal insolvency procedures such as Administration and Liquidation. However, it was felt at that stage these were unnecessary and would not only incur more costs but could potentially comprise creditor returns further. The position was not being worsened by delaying any instruction for a formal insolvency process and returns only increased by continuing with the orderly collection of assets and where appropriate, the return of the assets to secured lenders.
- 2.15 Natwest provided the Company with ordinary banking services including an overdraft facility and were overdrawn in the sum of £50,000. The director, Steven Shelford, offered to loan monies to the Company in order to make full repayment of this liability to enable the petition to be withdrawn. This would enable the Company to continue with the above strategy, maximising realisations and only making payments for any necessary costs such as agents' fees, insurance and staff administration costs.
- 2.16 On 23 August 2023, I contacted the petitioner's solicitors, to request details of the outstanding debt and payment details. Despite significant chasing, by Friday 1 September 2023 no response had been received, including confirmation of the amounts to be repaid, the existence of any supporting creditors or whether the petitioner would consent to dismissing the Petition upon payment of the petition debt. Therefore, via the Company's parent company, Shelford Group Limited (company number 13429625), the director instructed Birkett Long LLP on 1 September 2023 to begin preparing to attend the hearing on 4 September 2023 with a view to requesting an adjournment on the basis of the delays caused by the petitioner's solicitors and the strategy of collecting in assets to return to creditors to reduce the Company's liabilities.
- 2.17 I was formally instructed by the Company to advise on its position on 31<sup>st</sup> August 2023.
- 2.18 Birkett Long LLP were advised on 1 September 2023 in a telephone call with the petitioner's solicitors that seven additional creditors were supporting the Petition, all of whom were owed relatively low sums and could have been paid in full from the funds due in once the bank account was operative again (having been frozen due to the petition), except for one claim from Hampshire Trust Bank PLC ('HTB') which was in the region of £3.8 million.
- 2.19 At this point it was not possible to gain clarity on the overall picture, with the Company remaining potentially balance sheet solvent but completely dependent upon eventual clarity of secured lender deficits and actual realisation of asset values in the current market. HTB were a particular concern since they had joined the petition claiming their full sum and gave no indication of asset values or likely timescale for recovery and quantification of their final claim. This uncertainty made it particularly difficult to take proactive courses of action and not risk breaching any fiduciary duties or acting without accurate information.
- 2.20 It was also considered that the presentation of HTB's claim in full meant the Company could now be considered insolvent on the basis of being unable to meet its liabilities as and when they fall due, despite the overall balance sheet position.
- 2.21 Urgent discussions were held between the director, the Company's accountant and myself following the adjournment of the petition during the week commencing 4 September 2023 to ascertain the position and revisit the options available to the Company. Whilst potentially solvent, there was significantly less headroom for secured lender deficits than was ideal and with the petition now being extended and in place for a further four weeks, this would cause a number of difficulties, potentially having an adverse effect on the Company and therefore creditors at a later stage.
- 2.22 The adjournment left the Company paralysed and in no position to pay agents, advisors, staff or for the retrieval and storage/rental of assets. There was no ability to fund adequate insurance ongoing either

for this period without access to funds. Public knowledge of the petition and the Company's situation was now being exasperated and the risk to assets and book debt devaluation becoming more concerning.

- 2.23 A creditors' voluntary liquidation was considered but this would still have taken approximately two weeks to convene a decision procedure. In this time, the Company would effectively sit dormant and it would not result in the immediate dismissal of the petition, all of which would create delay and uncertainty. Even if a liquidator were appointed under this procedure, they would be unlikely to risk taking substantive action that could be voidable if the petition were not ultimately dismissed. Additionally, any application for the hearing of the petition to be brought forward would incur costs and would still not be immediate.
- 2.24 After discussing the Company's options with the director, Administration was considered the most appropriate course of action to allow immediate protection of the assets and formal collection procedures to be commenced and continued. Due to the complex nature of the Company's situation, it was likely that there would be delays in the Official Receiver, another liquidator and even a special/provisional liquidator getting up to speed and they would only have limited powers rather than the full and immediate powers available to an Administrator should they be required as more information became available.
- 2.25 The Administration Order was granted by the court on 6<sup>th</sup> October 2023 and the Company formally ceased trading at this point.
- 2.26 The following charges are registered against the Company which remain unsatisfied.

Chargeholder	Type of charge	Date created
RBSIF	Fixed/floating	18 September 2019

### **3 Objective of the administration**

- 3.1 As Administrator of the Company I am an officer of the Court, and I must perform my duties in the interests of the creditors as a whole in order to achieve the purpose of the administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:
- a) rescue the Company as a going concern; or
  - b) achieve 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
  - c) realise property in order to make a distribution to one or more secured or preferential creditors.
- 3.3 Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the nature of the Company's trading and its financial circumstances meant that a Company Voluntary Arrangement was not feasible.
- 3.4 As a result, I am seeking to achieve objective (b) for the Company and will do this by identifying, protecting and realising the assets of the Company, limiting the extent of any potential creditor claims and making a timely distribution to secured and preferential creditors where possible.

### **4 Steps taken since the appointment of the Administrators**

- 4.1 Creditors should note that this section of the proposals is also the statement of work done and to be done which is provided to creditors together with the fee schedule at appendix 4 to assist creditors in evaluating the reasonableness of the Administrators' fees.
- 4.2 This section is also supported by the Administrators' receipts and payments account, which is at appendix 1 as well as an estimated outcome statement at appendix 2.

#### **Steps taken on appointment**

- 4.3 On appointment, the Administrator ensured that the appointment was advertised in the London Gazette, and all necessary documents were filed with the Registrar of Companies. Various notifications were sent to HMRC and a bank account was opened. The Administrator also advised the creditors of her



appointment.

- 4.4 The Administrator also notified the directors' of their responsibility to provide a statement of the affairs of the Company, and copies of the appropriate forms were provided.
- 4.5 Whilst this work did not provide any financial benefit to creditors, it is necessary to ensure that all relevant legislation is complied with.

#### **Marketing of the assets**

- 4.6 Once instructed, the Administrator instructed John Pye & Sons Limited, consultant valuers and auctioneers ("the Agent") to attend the Company's premises, value the assets and arrange for their immediate recovery and sale. The Agent was also instructed to liaise with the former director of the Company to identify and retrieve any assets held on customer premises. The Agent confirmed their independence and that they held adequate professional indemnity insurance.

#### **Assets**

##### **Plant and machinery**

- 4.7 The majority of the Company's plant and machinery was purchased under finance agreements. A large proportion of these assets had been returned to the finance companies prior to Administration and the Administrator and her agents continued to liaise with those finance companies, together with the former director, to continue returning assets held under the terms of their various charges. Assets returned were considered to possess a commercial value less than the outstanding liabilities. Where this was not the case, liabilities for finance were settled in full and the assets will be sold along with the remaining unencumbered assets of the Company.
- 4.8 Where assets have been returned, confirmation has been requested of the resale values achieved and the corresponding reduction in claim in the Administration. Work in relation to these assets and dealing with these creditors has been included in the category 'Realisation of Assets' although some will relate to 'Creditors' in mitigating and agreeing their claims. There is no duplication in recording for these items.
- 4.9 A number of items held out on hire were free of finance and once the Company's software system was live these were identified and agents begun the process of collecting them ready for resale at auction. This process remains ongoing and it is estimated a surplus of £97,000 will be realised in respect of unencumbered plant and machinery.
- 4.10 The fixed asset register comprised of over 400 items and there are almost 10 associated finance agreements to be reviewed. A full schedule of all asset movements is currently being prepared, in liaison with the former director and Company accountant and will be available in due course.
- 4.11 An associated Company (by way of common director) made enquiries into novating one finance agreement with Allica Bank Plc, in relation to very large and fixed machinery being used on site. Whilst initially prepared to take on the onerous obligations, the final draft contract was not acceptable and did not proceed.
- 4.12 In association with the proposed novation, the Administrator had confirmed the overall position of the assets and established with the agents that no equity was apparent and therefore a novation would be of benefit to creditors by removing the liability. She had also instructed solicitors to review and amend the proposed novation contract and arranged for it to be signed and witnessed in anticipation of completion.
- 4.13 A large amount of plant has been identified as missing/ stolen. The Administrator has begun enquiries into the possibility of any insurance claims that have been/ can be made in respect of these assets. In doing so, she has requested full insurance documentation, together with reviewing the associated hire conditions and will be obtaining further information from the Inspire system to assist in any claim request.

##### **Motor Vehicles**

- 4.14 The following vehicles have been identified and are due to be recovered shortly by the agents. These vehicles are believed to be free from finance;

- 4.14.1 Scania Lorry EA63 UXE
- 4.14.2 Transit 350 Van MT64 HDH
- 4.14.3 DAF Lorry 19T EU18 YTR
- 4.14.4 Ford ranger 3.2 doublecab EK68 UZO
- 4.14.5 Volvo 6x2 cab w Beavertail KO68 FTY
- 4.14.6 32t Volvo Lorry KU69YXR
- 4.14.7 Ford Fiesta TDCi Sport van MA69LLT
- 4.14.8 Fiat Fiorino Technico van VX69 KNU

It is estimated that the auction price for these vehicles will be in the sum of £50,000, however, this will be subject to a full review of condition and mileage.

#### Factored book debts

- 4.15 The Company factored its book debts with RBSIF, who hold a fixed charge over these assets. They will continue to collect the book debts until the sums owed have been repaid in full or they are deemed irrecoverable and written off.
- 4.17 During the period of Administration the sum of £181,082 has been collected and the sum of £220,536 remains outstanding to the charge-holder. As detailed below the sum of £80,291 is being held in respect of monies paid into the Company account that should have been received by the charge-holder and it remains uncertain as to whether this amount will be directly set off against the balance outstanding. Knights Plc have been instructed to assist in determining the correct treatment of the monies held.
- 4.18 To date the sum of £9,825 has been written off as uncollectable, the sum of £265,882 has been queried or has potential contra positions to be resolved and £105,187 remains unconfirmed.
- 4.19 A number of debtors appear to have claims of set off against creditor balances outstanding at the time of appointment and these continue to be investigated and confirmed.
- 4.20 It is anticipated that there will be insufficient realisations to repay the factoring Company in full and therefore it is anticipated that no surplus funds will be received into the administration in respect of book debt realisations.
- 4.21 J P Associates have been instructed to assist with the book debt collection process on behalf of the charge-holder and it is my intention to continue with this instruction in relation to the book debts relating to the period of administration.

#### Non factored book debts

- 4.22 J P Associates Limited have been instructed to assist with book debt collection, in addition to the factored book debts detailed above. Whilst the Company did not continue to trade in Administration, assets remained on hire to customers until such time as they could be identified and collected. Ongoing hire costs were therefore invoiced to these customers for the extended period of hire.

To date £17,826 has been invoiced and a small number of remaining invoices are currently being processed. The final amount will be confirmed in due course. A general bad debt provision of 20% has been included in the estimated outcome statement.

#### Cash at Bank

- 4.23 The Company operated a bank account with Natwest. Due to the petition being in place prior to Administration, the bank account had been frozen as at 10 August 2023 in an overdrawn position of £66,953.99. The bank held no personal guarantees or additional security.
- 4.24 On 25 September 2023 an amount of £211,967 was received into the account in respect of a VAT refund. Natwest applied their right of set off and accordingly utilised a portion of these funds to extinguish their liability in full. No funds remain outstanding to Natwest.
- 4.25 During the time whilst the account was frozen additional amounts were also received into the account

relating to Company book debts. Under the terms of the agreement with RBSIF, these monies were held on effective trust for their benefit and therefore have been transferred across to RBSIF accordingly.

- 4.26 An amount of £91,878 was transferred from Natwest to the Administrator and these funds are held in a customer account and detailed as cash at bank on the attached receipts and payments account.
- 4.27 A further £80,291.51 is held by the bank pending resolution of the matter of ownership of these funds. It is unclear whether these funds were adequately held on trust for RBSIF whether they should be utilised directly against the balance outstanding under the terms of their fixed charge directly or whether they should form part of the general Company assets that will be distributed accordingly.
- 4.28 Whilst the Administrator has instructed solicitors to investigate this matter further and advise accordingly, the amounts have been shown in the estimated outcome statement as assets of the Company available for distribution to the general body of creditors in accordance with normal priority rules

#### Other matters

- 4.29 The Company operated an internal software program, Inspire. This system was responsible for tracking and logging plant hire movements and raising and sending subsequent invoices to customers. Unfortunately, due to the presentation of the winding up petition and the bank account being frozen the ongoing contract and subscription was terminated and access to the system restricted. Inspire would not reinstate the system without full payment of one years' subscription, together with past debts being brought up to date.
- 4.30 Upon appointment the Administrator requested continuity of this service, since it was vital to the ongoing asset collection process, book debt invoicing and collection process as well as the investigations that would need to be undertaken in respect of any missing assets. Due to the urgency of the situation Knights Plc, solicitors, were instructed to demand immediate recovery of the system in return for an undertaking for ongoing usage during the administration. This was eventually agreed and went live on 7 November 2023 but hampered progress significantly in the interim period.
- 4.31 A great deal of time was spent dealing with this issue and it has also resulted in information being delayed and the overall position still not being fully clear. The former director and staff have been assisting with the processing of information from the system and over the next month it is envisaged the information will have been retrieved and processed and no further access will be required.
- 4.32 In light of the above, many of the actions of the Administrator and her agents have only been able to begin in earnest after this period. This includes verifying the remaining asset locations, processing and confirming book debt amounts and establishing previous hire queries.
- 4.33 As this information becomes available the Company accountants, R E Edwards Group, have been instructed to complete the Company accounts up to the period of appointment, in order that the true financial position can be established as at that date, in particular with regards to financed assets. Information regarding the final realisation value of returned items is still awaited from the finance companies and therefore will be confirmed in due course
- 4.34 Whilst any remaining employees had been transferred to an associated Company prior to Administration (and therefore no claims were expected) several notifications have been received from former employees, in respect of employment tribunal processes and potential claims. Investigations remain ongoing into the validity of these claims and their quantum.
- 4.35 Clumbers Consultancy Ltd have been instructed to act on my behalf in this matter to process any claims and in due course will be in a position to confirm whether any of those sums will result in preferential claims to be paid prior to the secured creditor or the calculation of any prescribed part distribution.
- 4.36 R E Edwards Group were also instructed on my behalf to prepare the final VAT return and confirm the amounts outstanding in respect of the PAYE/ NIC scheme. These have now been completed and my office has now submitted the returns accordingly.
- 4.37 Clumbers Consultancy Ltd have been instructed to assist with the closure of the Company pension schemes and make any relevant claims for outstanding contributions.

- 4.38 A number of creditors have contacted this office in respect of retention of title claims and assets being held by the Company that were due to be returned. The process of locating and returning these claims is ongoing.

The below sections detail proposed amounts payable to creditors in the order that payments are to be made to each class of creditor.

#### Secured creditor

- 4.39 As detailed above, RBSIF hold a fixed and floating charge over the assets of the Company. The charge has been reviewed by my solicitors who have confirmed that it is valid. The attached estimated outcome statement at appendix 2 shows the anticipated distribution to the secured creditor. It is not estimated that the secured creditor will be paid in full.

#### Preferential Creditors

- 4.40 Whilst it was initially envisaged that no preferential claims would be received in respect of former employee claims, as detailed above, information is currently being gathered to confirm whether any employment tribunal claims would result in a preferential element of unpaid wages or holiday pay being due.
- 4.41 Liabilities in respect of PAYE/ NIC have been confirmed as £67,679 and this claim will be a secondary preferential creditor ranking behind any employee claims.
- 4.42 It is expected preferential creditors will be paid in full.

#### Prescribed part

- 4.43 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 non-preferential unsecured creditors. In cases where the Company granted a "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." After paying all classes of preferential creditors, the amount remaining is the net property. An administrator must 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 (for charges created between 15 September 2003 and 5 April 2020) or £800,000 (for charges created after 6 April 2020)
- 4.44 The Company granted a floating charge to RBSIF on 18 September 2019 and it is anticipated that the prescribed part provisions will apply. The attached estimated outcome statement at appendix 3 shows the anticipated amount to be set aside for the prescribed part.
- 4.45 Insolvency legislation does not require me to distribute the prescribed part of the net property to creditors if I think that the costs of distributing the prescribed part would be disproportionate to the benefits to creditors where the net property is less than £10,000. I am not yet of this opinion in this matter and therefore propose to be setting aside the prescribed part.

#### Non-Preferential unsecured creditors

- 4.46 Claims received from non-preferential unsecured creditors have been logged (totalling £254,570) and are broadly in line with the original estimates provided to the Administrator.
- 4.47 At this stage, there are a considerable number of variables which will have an impact on the final return to creditors. The attached estimated outcome statement at appendix 3 shows the anticipated distribution to non-preferential unsecured creditors, however, more information is required at this stage to be able to give an accurate distribution expectation.

#### Distributions

- 4.48 As it is anticipated that there will be a distribution to preferential creditors and a distribution under the prescribed part provisions, all claims will be adjudicated on and any discrepancies investigated and resolved. The claims will then be reviewed and agreed for dividend purposes. At present the timing of any distribution is dependent upon the asset realisations above.

#### HM Revenue & Customs

- 4.49 During the course of the administration, all appropriate VAT and tax returns will be submitted. Any tax arising post appointment will be calculated and paid over to the respective departments.
- 4.50 Once the accounts have been finalised for the period up to Administration, any corporation tax liability (or rebate) can be confirmed.

#### Case monitoring and reviews

- 4.51 The case strategy and in particular the purpose of the Administration will be reviewed on a regular basis and periodical reviews, as required by best practice, will be undertaken. During the life of the case, all general correspondence from creditors, agents, and solicitors will be dealt with.

#### Statutory Requirements

- 4.52 The local bank account will be maintained, with reconciliations being undertaken in accordance with this firm's policy. After six months a progress report will be prepared and circulated to creditors.
- 4.53 The overall benefit to creditors is that Sonia Baigent has ensured that all statutory requirements have been dealt with, and all assets have been/ will be realised, thereby being assured that Sonia Baigent has used her best endeavours to secure assets for the benefit of creditors.

#### Investigations

- 4.54 I 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. I am also required to investigate the affairs of the Company in general to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.
- 4.55 Due to the substantial move in the Company's financial position over a short period of time, it is envisaged that more extensive investigations into the circumstances surrounding the demise of the Company will be required, in particular with regards to the asset position.
- 4.56 However, due to the information currently being gathered and being assessed for multiple purposes, including asset recovery, creditor claim agreement and the preparation of tax calculations, a specific fee provision has not been included for this additional work. This proposal includes this work as part of its fixed fee element, as well as the assets realisation percentages and creditor claim agreement fees.

Should more extensive work be required by the Administrator or specific claims be identified to be investigated further a revised proposal will be circulated to creditors for their approval. A time costs basis in this regard is not considered to be beneficial to creditors at this stage.

#### Proposals

- 4.57 The Administrator has prepared and circulated to all creditors full details of proposals for achieving the purpose of the administration. The sending of proposals is a matter that is required by law and provides the creditors with full details as to the progress of the administration, and how the administrators intend to achieve the purpose of the administration.

#### Conclusion

- 4.58 Whilst a significant amount of progress has been made, actions have been significantly hampered by the lack of access to the internal software system for a large proportion of the Administration to date.
- 4.59 The collation of accurate information has further been hampered by the bottleneck of work and enquiries being made of the sole director and his ability to deal with each of these requests in turn.
- 4.60 The immediate priority so far has been to liaise with finance providers in respect of assets that could be recovered and secured to mitigate their claims and to work on book debt queries and the raising of invoices to maximise recoveries in this regard.
- 4.61 Due to the above, the Administrator did consider applying to the court (or making a request to creditors) for an extension to the period of time allowed to send proposals out to creditors. However, this was not considered to be cost effective or to result in a substantial benefit to creditors.
- 4.62 Since a progress report will be due in a maximum of 6 months from the date of appointment and it is also envisaged a further report will be sent to creditors detailing the proposed exit route, there will be

more cost-effective ways to update creditors in due course as more information becomes available.

- 4.63 In addition to this, discussions are held on a regular basis with key stakeholders, charge-holders and potential significant unsecured creditors to provide updates and inform them of the Administrator's ongoing strategy.

## **5 Estimated financial position**

- 5.1 Whilst it would be usual for the Administrator to request a Statement of Affairs to be completed by the former director immediately upon appointment, due to the lack of accurate information being available and other matters being deemed a priority for creditor benefit, this request has only recently been made.
- 5.2 It is considered that the position could materially change once more information becomes available and therefore any such document could be misleading to creditors. Therefore, I have included the original estimated values that were provided to the court in seeking the appointment of the Administrator and represent the best estimate of the position at that time (appendix 3)
- 5.3 However, this document should be viewed with caution since it does not take account of all the variables detailed in the report above.
- 5.4 Whilst also not fully accurate or complete at this time, it is likely that the Estimated Outcome Statement provided by the Administrator at Appendix 2 will give creditors a more useful overview of the position at this time.

## **6 Basis of the Administrators' remuneration**

- 6.1 I am seeking approval from creditors that my remuneration as Administrator is fixed on the following basis:
- 6.1.1 A fixed fee of £20,000 for undertaking the following categories of work in the Administration, namely Statutory Requirements, Administration, Case Specific Issues, Creditors and Investigations;
- 6.1.2 Between 5 and 15 percentage of assets realised (as detailed below)
- 6.1.3 15 percentage of distributions made to creditors
- 6.2 There are certain tasks that I must carry out on nearly every Administration, and although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still must be carried out

There are:

Administration/ Statutory Requirements. This represents the work that is involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

#### Creditors:

Employees The administrator may need to deal with ex-employees to ensure that their claims are processed appropriately by the Redundancy Payments Office (RPO). That work will include dealing with queries received from both the ex-employees and the RPO to facilitate the processing of the claims. The office holder is required to undertake this work as part of his statutory functions.

Claims of creditors the office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions

Investigations The office holder is also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.

The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors. If potential recoveries or matters for further investigation are identified then the office holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holder will provide an estimate of that benefit if an increase in fees is necessary.

- 6.3 After taking into account the nature and value of the assets involved and that this is a complex case, as highlighted above, I have concluded that a fixed fee of £20,000 is necessary to cover that work. I have also compared the proposed fixed fee with our past time records for undertaking the work in respect of cases of a similar size and complexity and taken that into account when determining the level of the fixed fee sought, and as a result I believe that this demonstrates why the fixed fee is expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken. Full information about the work that I will undertake for the fixed fee is contained in the Appendices.

#### Percentage basis.

- 6.4 There are certain tasks that I only have to carry out where there are assets to recover. They may produce a direct benefit for creditors, but are subject to the costs of the proceedings generally. I undertake the work to protect and then realise the assets, initially at my own cost, suffering the loss if any asset is not realisable. If assets are recovered, I first recover my costs and then distribute any balance. I am seeking to recover a percentage of the assets that I realise in order to remunerate me for the work that I undertake in respect of realising them. The percentage I propose to charge will also share the anticipated benefit with the creditors. I am seeking to recover the following percentages:

Nature of asset	Percentage being sought (%)
Cash at Bank (including disputed funds)	10%
Charged Assets	5%
Unencumbered Assets	15%

- 6.5 Based on the assets of the Company being realised for the amounts as estimated above, then my remuneration based on a percentage of such realisations would be £54,982.

I think the percentages that I am seeking approval for reflect the risk that I am taking, the nature of the assets involved, and the complexity of the Administration, as highlighted above. As a result, I believe that this demonstrates why the percentages proposed are expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken.

In particular, I feel that due to the nature of this case there could be significant time incurred in dealing with asset realisations (specifically identification and recovery) that may or may not produce a direct benefit to creditors and a time cost basis could result in a detriment to overall return. So far most actions, other than statutory items, have been liaising with other parties, however, it is anticipated a majority of the time costs to be spent by the Administrator (and her staff) will be incurred from now on, as the information becomes readily available and actions can be implemented.

This case also has a lot of cross-categorisation of time. For example where the same party could be dealt with as an asset realisation category but also a potential creditor claim, or the floating charge creditor is referenced in regards to book debt collections. This makes it more complex for creditors to determine the detailed position with regards to time spent and a blended rate therefore gives a more fixed reference to the overall work and eventual position.

In order to give creditors transparency and a more direct method of assessing the benefit and return to them as creditors I feel a percentage rate would, therefore, be more appropriate.

- 6.6 Whilst I am required to maintain records of creditors' claims in all cases, in those cases where sufficient realisations are made to enable me to pay a dividend to creditors, I have to undertake certain statutory formalities. This include writing to all creditors who have not lodged proofs of debt and reviewing the claims and supporting documentation lodged by creditors in order to formally agree their claims, which may involve requesting additional information and documentation from the creditors. I am seeking to recover 15% percent of any distributions made, to reflect the additional work required.

I think the percentage I am seeking approval for reflects the number of creditors involved and the complexity of the Administration, as highlighted above. I have also compared the proposed percentage for which approval is being sought with the statutory scale for such work and taken that into account when determining the percentage being sought. I believe that this demonstrates why the percentage proposed is expected to produce a fair and reasonable reflection of the work that I anticipate will be necessarily and properly undertaken.

- 6.7 I attach at appendix 4 a schedule of the total time costs that have been incurred to date. Despite not



requesting fee approval on a time costs basis this has been provided to give creditors a complete picture and enable them to make an informed decision on the proposed fee basis. I would anticipate fees charged on a time cost basis in future to exceed those proposed on a fixed and percentage basis as detailed above

- 6.8 For the benefit of creditors, the Association of Business Recovery Professionals publish 'A Creditors' Guide to Administrators' Fees. This document is available at the following website address, <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>

## **7 Administrators' expenses**

- 7.1 Details of the expenses that I have paid are shown on the attached receipts and payments account at appendix 1. Further information on significant expenses is provided below

### Solicitor's fees

- 7.2 Knights Plc were instructed to assist with the following matters (as detailed above):

7.2.1 Validating the charge of RBS Invoice Finance Ltd;

7.2.2 Investigating and confirming the position with regards to debtor funds received (both prior and post administration) and the basis on which they should be distributed;

7.2.3 Reviewing and amending the proposed novation documents in respect of plant and machinery held on contract with Allica Bank;

7.2.4 Reviewing the potential claims for asset recoveries, missing assets and finance liabilities;

7.2.5 Advising on the strategy in terms of time extensions and timing of proposal voting in exit routes;

7.2.6 Pursuing Inspire Limited to recover the internal software system and allow continued access during the Administration;

- 7.3 £8,381 has been incurred in legal fees in respect of pursuing Inspire and dealing with the proposed Novation and have been agreed on a time cost basis. It is anticipated that a further amount of between £8,000 and £16,000 will be incurred depending on the result of the investigation assessment for the remaining items detailed above. The Estimated Outcome Statement includes a mid-way provision of £12,000

### Agent's fees

- 7.4 Joh Pye & Sons Ltd were instructed to assist with the valuation of the Company's assets and to assist in the sale strategy. They have been instructed on a percentage basis and will receive 15 percent of realisations

- 7.5 In addition to this sum disbursements will be payable and have been incurred in order to secure and transport the assets as well as marketing costs. To date these total £10,895 although asset collections remain ongoing and as such further disbursements will be incurred

### Book Debt Collection Fees

- 7.6 J P Associates will be instructed to collect the remaining book debts that have been incurred post appointment. It is anticipated they will be instructed on a percentage basis based on the complexity of the recoveries. Whilst the information has not yet been received in order to confirm this rate it is anticipated to be between 15 and 20%.

### Employee and Pension Claims

- 7.7 Clumbers Consultancy Ltd have been instructed to assist with the review of the pension scheme and any associated closure and claim formalities. These fees have been agreed on a fixed fee basis as follows:

7.7.1 Pension Report £550 per scheme

- 7.8 Clumbers Consultancy Ltd have also been instructed to assist with any employee claims that may be received. This fee is dependent upon the amount of claims received and whether there are pension contribution claims to be made but initial proposals are on a fixed fee basis as follows:

7.8.1 RP14 processing (1-5 employees) £500

7.8.2 RP15 processing (1-5 employees) £500

7.8.3 Preferential Claim Balancing (1-5 employees) £500

7.9 All fees detailed above will be subject to VAT which will be recovered as part of the administration process

7.10 In addition to the above expenses, I have incurred the following Category 2 expenses.

Type of category 2 expense	Amount incurred since appointment	Amount still to be paid
Postage	239.20	395.20

7.11 I intend to request that the relevant creditors agree that the Sonia Baigent be authorised to draw category 2 expenses as defined in appendix 68 of these proposals

## 8 Pre appointment costs

8.1 I was instructed to assist with placing the Company into Administration by the Company on 31 August 2023. At this time it was agreed that I should be paid my pre appointment fees on a fixed fee basis of £10,000. Due to the complexity of the case, the requirement for various drafts to be prepared as values were revised and the urgency of the application, time costs far exceeded this amount. In addition, the hearing required significant input from the proposed administrator due to creditors being in attendance and again this exceeded the original estimate.

8.2 However, the Administrator is not proposing to revise the fee basis and is seeking only to recover the agreed sum of £10,000. The work undertaken included gathering information on the financial position of the Company from the director and Company accountant, reviewing the information and preparing witness statements and estimated outcome statements to accompany the application, advising the Company and its director on the possible options available and the proposed timelines; liaising with the secured creditor to continually update on the proposed strategy and timings of the application; liaising with the solicitors and providing further information/ input on strategy as required; remotely attending the barrister on the day of the application to provide further information to the court and liaising with various finance companies on the return of their assets to date and any potential claims to be quantified

8.3 In addition to the pre appointment remuneration, the following expenses were incurred:

### Solicitor's fees

8.4 Pre appointment legal fees of £35,390.50 were incurred on a time cost basis for drafting and filing the appropriate appointment documentation and advising on the intended strategy. This amount included both solicitors time costs and also barristers time costs for preparation and attendance at the hearing, as well as service fees.

8.5 Birkett Long were chosen for their experience in this area and their availability to act on short notice having been instructed to assist the Company previously with the adjournment of the petition

### Accountancy Fees

8.6 The sum of £5,500 was agreed with the Company Accountants to assist with the provision of information critical to the application. This included attendance at various strategy meetings and the collation of information relating to finance liabilities and the companies fixed asset register updates.

## 9 Fee Approval

9.1 If a committee is appointed by the creditors, I will initially seek approval from the committee for payment of the fees and expenses. If the committee does not approve those fees, or it approves the fees at a level that the Administrators feel is insufficient, I will seek approval from the creditors as a whole by creditors

decision procedure, or from the Court.

## **10 Administrators' proposals and exit from administration**

- 10.1 In order to achieve the objective set out in section 3 above, the Administrator formally proposes that:
- 10.1.1 We continue to manage the business, affairs and property of the Company in line with the proposed strategy detailed in section 4 of this report in order to achieve the purpose of administration, as well as
- a Selling the Company's assets at such time(s) and on such terms we consider appropriate
  - b Investigating, identifying and, if appropriate, pursuing any claims that the Company may have against any connected or other third parties.
  - c Generally exercising the powers granted to an Administrator as I consider appropriate in order to achieve the purpose of Administration or protect and preserve the assets of the Company or to maximise realisations for creditors or to take such actions required by legislation regarding the conduct of the Administration.
- 10.2 Based upon present information it is likely there will be no property available to enable a distribution to be made to non-preferential unsecured creditors (outside of the prescribed part provisions). Therefore, 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 three months after the notice is registered.
- 10.3 However, it may be that further information identifies further assets to be realised or better than anticipated recoveries are made. Should this be the case, and on the grounds that the Administrator thinks that the total amounts due to secured creditors may be paid or set aside and a distribution may be made to the non-preferential unsecured creditors other than by virtue of the prescribed part, the Administration may end by placing the Company into Liquidation.
- 10.4 Since it is not yet known what the scope of the Liquidation work and investigations that may need to be completed will be, it is not appropriate to propose a Liquidator or fee basis. I may seek to propose myself as Liquidator and as a creditor, you may nominate a different person at the appropriate time. However, it may also be appropriate to ask the court to wind up the Company and a Liquidator will be selected by the Official Receiver if deemed appropriate.
- 10.5 In the absence of information to allow creditors to make an informed decision, these proposals are only seeking approval for one of the possible exit routes being Liquidation and the Administrator will convene a separate decision procedure at the appropriate time to determine the choice of Liquidator if necessary.

## **11 COMI Proceedings**

- 11.1 I consider these proceedings to be COMI proceedings as the Company's main interests are situated within the jurisdiction of the UK as the Company's registered office and trading address are registered in the UK.

## **12 Approval of the proposals**

- 12.1 Notice of the decision to be made by correspondence is attached at appendix 8 of these proposals, together with a voting form at Appendix 9.
- 12.2 Creditors are also given the opportunity to appoint a creditors' committee and notice to creditors to decide whether to establish a committee is attached at appendix 7 of these proposals. A committee is made up of between three and five representatives of creditors who will then meet me on a regular basis (to be decided by the committee, but no less than every 6 months) to discuss the Administration of the Company. If a committee is appointed, then it will be for them to approve any pre-administration costs and expenses and the costs and expenses of the Administration. If no committee is appointed, it will be for the general body of creditors to approve the Administrators' remuneration and the enclosed voting form will enable you to vote on those resolutions and will only be considered in the event that a

committee is not formed.

12.3 Due to the uncertainty surrounding the final outcome and possible distributions to creditors, all classes of creditors are receiving (and will be entitled to vote upon) these proposals. However, it should be noted that should no distribution be made to unsecured creditors, only the approval of the preferential and secured creditors will be required.

12.4 This statement of proposals, which will be delivered on 29 November 2023, will be subject to such modifications as the creditors may approve or impose, subject to the approval of the Sonia Baigent

If creditors or members have any queries regarding the proposals or the conduct of the Administration in general, they should contact this office on 01455 560042 or by email on [Sonia@assistbc.com](mailto:Sonia@assistbc.com).

Sonia Baigent  
Administrator

Date 27 November 2023

**APPENDIX 1 & 2**  
**COMBINED RECEIPTS & PAYMENTS ACCOUNT AND**  
**ESTIMATED OUTCOME STATEMENT**

Statement of Affairs £		Receipts & Payments 6/10/23 to 27/11/23 £	Estimated Movements £	Estimated Outcome £
<b>PLEDGED ASSETS</b>				
	Plant & Machinery	TBC	TBC	TBC
	Less Finance Company (HTB)	-3,810,481		
	Plant & Machinery	TBC	TBC	TBC
	Less Finance Company (Lombard)	-1,841,222		
	Plant & Machinery & Vehicles	TBC	TBC	TBC
	Less Finance Company (Allica Bank)	-501,356		
	Plant & Machinery	TBC	TBC	TBC
	Less Finance Company (ICB)	-56,742		
575,000	Book Debts	149,910	121600.5	271,511
-379,000	Less RBSIF	-370,446		-370,446
<u>196,000</u>		<u>220,536</u>	<u>121600.5</u>	<u>-98,936</u>
<b>UNENCUMBERED ASSETS</b>				
150,000	Cash At Bank	91878		91878
	Disputed Bank Funds		80291	80291
355,050	Plant & Machinery		97,000	97000
	Motor Vehicles		50000	50000

170,000	Book Debts Post Administration		14260.8	14260.8
	<b>TOTAL ASSETS AVAILABLE</b>	<b>91878</b>	<b>241551.8</b>	<b>333429.8</b>
	<b>COSTS</b>			
	Pre Appointment Fees		10000	10000
	Pre Appointment Legal Costs		35391	35391
	Pre Appointment Accountancy Costs	4,663	5500	10163
	Software Provision	304.13	1500	1804
	Website/ Server Fees	180	500	680
	Statutory Advertising		109	109
	Bond		1450	1450
	AML Checks	6	0	6
	Photocopying	80	211	291
	Postage		634	634
	Accountancy Fees		6500	6500
	Asset Agents Fees		22050	22050
	Asset Agents Disbursements		10895	10895
	Debtor Collection Fees		24320	24320
	Solicitors Fees		12000	12000
	Administrators' Fixed Remuneration		20000	20000
	Administrators' Realisation Fee		54982	54982
	Administrators' Distribution Fee		12900	12900
	Bank Charges		30	30
	Insurance		3517	3517
	<b>TOTAL COSTS</b>	<b>5233</b>	<b>222489</b>	<b>227722</b>
	<b>ASSETS AVAILABLE TO PREFERENTIAL CREDITORS</b>	<b>86645</b>	<b>19063</b>	<b>105707</b>

<b>PREFERENTIAL CREDITORS</b>			
	Employee Claims	TBC	TBC
	Pension	TBC	TBC
<b>ASSETS AVAILABLE TO SECONDARY PREFERENTIAL CREDITORS</b>			<u>105707</u>
<b>SECONDARY PREFERENTIAL CREDITORS</b>			
	HMRC	67679	0
			67679
<b>NET PROPERTY</b>			<u>38028</u>
<b>PRESCRIBED PART</b>			10606
<b>ASSETS AVAILABLE FOR SECURED CREDITOR</b>			27423
<b>SECURED CREDITOR</b>			-98,936
<b>DEFICIT AFTER SECURED CREDITOR</b>			-71,513
<b>UNSECURED CREDITORS</b>			
520000	Trade Creditors	520000	520000
90063	Associated Creditors	90063	90063
	HP Deficits c/d	TBC	TBC
	Floating Charge Deficit c/d		0
	Employee Claims	TBC	TBC
<b>TOTAL UNSECURED CLAIMS</b>			<u>610063</u>
<b>TOTAL DEFICIT</b>			<b>-681,576</b>

**APPENDIX 3**  
**Estimated Outcome Statement**  
**Rhino's Plant Hire Limited**  
**11 September 2023**

	Cost	Book Value		ETR ADM		ETR LIQ
<b>Assets Subject to Fixed Charges</b>						
Book Debts		575,000				
Less: RBS Invoice Finance		<u>379,000</u>				
		196,000		<u>166600</u>		<u>147000</u>
Plant	4049536	2,648,672	2913539		2330832	
Less: Asset Finance - HTB			3,810,481	-896,942	3810481	-1,479,650
Plant	3004704	2,329,636	2,562,599		2050079	
Less: Asset Finance - Lombard			1,841,222	721,377	1841222	208,857
Plant	610400	595,140	654,654		523723	
Less: Takeuchi			711,129	-56,475	711129	-187,406
Plant:	440000	429000	471,900		377520	
Less: Allicia Bank			501,356	29,456	501356	-123,836
Plant	248020	180,807	198,887		159110	
Less: Asset Finance - JCB			56,742	142,145	56742	102,368
Plant	300110	199,567	219,523		175619	
Less: Asset Finance - Lloyds			38666	180,857	38666	136,953
Total Plant Surplus				<u>1,044,380</u>		<u>448,178</u>
<b>Unencumbered Assets</b>						
Plant & Machinery		450000		355,050		349750
Book Debts to be invoiced		200000		170000		150000
Cash At Bank		150000		150000		150000
Total Unencumbered Assets				<u>675,050</u>		<u>649750</u>
Total Assets Available to Creditors				1,886,030		1,244,928
Floating Charge Holder Liability				Nil		Nil
Site Rental Costs				Nil		4,200
Preferential Creditors						
H M Revenue & Customs				<u>60,000</u>		<u>60,000</u>
				60000		60000
Total Assets Available for Unsecured Creditors				1,825,030		1,180,728
Unsecured Liabilities						
Trade Creditors				520000		520000
Associated Company Debts				90,063		90,063
Secured Lender Deficits				982,873		1,790,892
Total Unsecured Liabilities				<u>1592936</u>		<u>2400955</u>
Surplus/ Deficit				<u>233094</u>		<u>-1220227</u>



#### APPENDIX 4

#### RHINO'S PLANT HIRE LIMITED - IN ADMINISTRATION

#### SUMMARY OF POST APPOINTMENT TIME COSTS TO 27 NOVEMBER 2023

SUMMARY OF POST-APPOINTMENT TIME COSTS TO 17 NOVEMBER 2023					Time Units Spent		
	PARTNER	MANAGER	CASHIER	SUPPORT STAFF	TOTAL HOURS	TOTAL TIME COST	AVERAGE RATE
STATUTORY REQUIREMENTS							
Appointment & SOA							
Appointment Documentation		6.83	51.67		5.85	1460.125	249.5940171
Meetings/ Corresp/ Tel		15.25			1.525	549	360
SOA/EOS Preparation		25.42	11.25		3.667	1179.495	321.6512135
Statutory Filing/ Advertising		1	4.67		0.567	145.745	257.0458554
Case Management							
Bonding/ Review			2.5		0.25	58.75	235
Case Set Up/ Data Entry			3.33		0.333	78.255	235
Creditors/ Shareholders Decisions, Meetings & Reports							
Administrators' Proposals	63.84		8.33		7.217	2493.995	345.5722599
Fee Approval Requests (court, creditors, committee)							
Progress/ Final Reports							
Qualifying Decisions/ Meeting Documentation/ Minutes/ Reporting	3.33		0.1		0.363	126.93	349.6694215
Pension Scheme							
General							
PPF/ Trustee/ Pensions Reg Correspondence							
Third Party Correspondence			3.33		0.333	78.255	235
Taxation							
Clearance/ Closure/ Other							
CT/IT/CGT Post appointment returns							
Post-appointment VAT							
Pre-appointment VAT/ Tax Returns							
REALISATION OF ASSETS							
Fixed Charge Assets (inc HP/ Leasing Assets)							
Agent Communications		13.5	6.67		2.017	642.745	318.6638572
Chargeholder Communications		106.17	2.67		10.884	3884.865	356.9335722
Schedule Reconciliation/ Review		63			6.3	2268	360

Director Communications	71		7.1	2556	360
<b>Floating Charge Assets</b>					
Agent Communications					
Chargeholder Communications	1.33	1.67	0.3	87.125	290.4166667
Director Communications					
<b>Chattels</b>					
Agent Communications	34.84		3.484	1254.24	360
Insurance	3.83	4.17	0.8	235.875	294.84375
Potential Purchaser Communications		3.67	0.367	86.245	235
Director Communications	14.33	0.83	1.516	535.385	353.1563325
<b>Debtors</b>					
Invoicing Preparation/ Review	11.33	54.33	6.566	1684.635	256.569487
Debtor Communications	1.67		0.167	60.12	360
Agent Communications	6.67	1.67	0.834	279.365	334.970024
Accounting/ Reconciliation	12.33		1.233	443.88	360
Write Off Consideration					
Contra Positions Review	2.83		0.283	101.88	360
Director Communications					
<b>Cash At Bank</b>					
Bank Communications	40.5	9.67	4.017	1685.245	335.9069165
Reconciliation/ Review	20		2	720	360
<b>INVESTIGATIONS</b>					
CDDA Report/ Return					
Collect/ Schedule/ Review Books & Records	6.75	0.83	0.758	262.505	346.3126649
Correspondence with former officers	6.67	4.17	1.084	338.115	411.9142066
SIP 2 Review	22	1.67	2.367	831.245	351.1808196
Extended Investigations					
<b>CASE SPECIFIC MATTERS</b>					
<b>CREDITORS</b>					
<b>Employees</b>					
Registering/ Agreement/ Review of claims	6.33	2.5	0.883	286.63	324.6092865
Agent Communications		5.83	0.583	137.005	235
Employee Communications					

ERA

**Preferential Creditors**

Registering/ Agreement/ Rejection of Claims

13

11.16

2.416

730.26

302.2599338

**Secured Creditors**

Registering/ Agreement/ Rejection of claims

Security Review

*NB: Fixed charge creditor liaison included within asset realisation*

**Unsecured Creditors**

Registering/ Agreement/ Rejection of Claims

Creditor Communications

Retention of Title Claims/ Contra Positions

0.83

1.67

29.5

0.5

10

0.167

2.733

1.05

39.245

652.63

253

235

238.7961947

240.952381

**ADMINISTRATION & PLANNING**

**Appointment & SOA**

Case Planning/ strategy

Validity of appointment / review

134.92

50.33

18.525

6039.875

326.0391363

**Case Management**

Billing

Case Reviews

Diary Updates/ Checklists

Filing

Ongoing Case Planning/ Strategy

Mail Redirection/ Incoming Mail Review

5.83

48.16

30

20

0.583

7.816

2

209.88

2438.76

170

360

312.0214944

170

**Cashiering**

Account Opening/ Management

Bank Reconciliations

Transaction Posting/ Journals

Receipts & Payments

VAT

TAX

2.83

3.33

13.83

22.5

3.33

0.283

0.333

1.383

2.25

0.333

42.45

49.95

207.45

337.5

49.95

150

150

150

150

150

**TOTAL UNITS**

763.99

315.39

45.82

20

**TOTAL HOURS**

76.399

31.539

4.582

2

114.52

**TOTAL TIME COST**

27503.64

7411.665

687.3

170

35772.605

**AVERAGE RATE**

Proof of Debt – General Form

Name of Company in Administration:

RHINO'S PLANT HIRE LIMITED

Company Registration Number:

05496592

Date of Administration:

6 October 2023

1 Name of creditor

(If a company, please also provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)  
(include any Value Added Tax)

4 If amount in 3 above includes (£)  
outstanding uncapitalised interest, state amount

5 Details of how and when the debt was incurred  
(If you need more space, attach a continuation sheet to this form)

6 Details of any security held, the value of the security and the date it was given

7 Details of any reservation of title claimed in respect of goods supplied to which the debt relates.

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

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

9 Signature of creditor  
(or person authorised to act on the creditor's behalf)

10 Address of person signing if different from 2 above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

## APPENDIX 6

### PRACTICE FEE RECOVERY POLICY FOR ASSIST BUSINESS CONSULTING LTD

#### Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and obtained by contacting this office. Please note that we have also provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

#### Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

#### Chargeout Rates

Grade of staff	Current charge-out rate per hour £
Partner – appointment taker	360.00
Manager	235.00
Cashier	150.00
Support Staff	85.00

These charge-out rates charged are reviewed on 1<sup>st</sup> January and 31<sup>st</sup> July each year and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Statutory Requirements
- Administration and Planning.
- Investigations.
- Realisation of Assets.
- Creditors.
- Trading
- Case specific matters.

Legislation changed on 1 October 2015 and on new appointments we now only seek time costs for the following categories:

- Investigations
- Distributions
- Trading

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate: any additional work undertaken, or proposed to be undertaken, the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

#### Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

#### Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

#### Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

#### All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

#### Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

#### Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Assist Business Consulting Ltd, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Mileage	45p per mile
Storage	N/A
Photocopying	4p per sheet
Postage	0.75p/ 1 25p per small letter, £2.6/ 3.20 per large letter

Storage costs are calculated as follows:

Intake £2.80 per box  
Collection £0.80 per box  
27 months storage (estimated) £0.32 per box  
Final pick and destruction £3.00 per box



## APPENDIX 7

Rule 10.76 Insolvency (England and Wales) Rules 2016

### Notice of invitation to decide whether to form a creditors committee

Name of Company: Rhino's Plant Hire Limited

Company Number: 05496592

Court Details: In the High Court of Justice Business and Property Courts in Birmingham  
CR-2023-BHM-000549

This notice is to inform creditors that they are invited to decide whether to form a creditors committee if sufficient creditors are willing to be members of the committee. Creditors are also invited to nominate creditors (which may include themselves) to be members of the committee.

Nominations must be delivered to Sonia Baigent either by post or email.

Address: 5 Old Forge Road, Ashby Magna, Lutterworth, Leics, LE17 5NL

Email Address: [sonia@assistbc.com](mailto:sonia@assistbc.com)

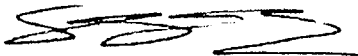
Telephone Number: 01455 560042

All nominations must be delivered by 4pm on 15 December 2023.

Nominations can only be accepted if Sonia Baigent is satisfied as to the nominated creditor's eligibility to be a member of the committee.

Further information on the role of the creditor's committee is available on the R3 website  
<https://www.r3.org.uk/>

Signed Sonia Baigent



Date 27 November 2023

Nomination for membership of the creditors' committee

THAT (enter name):

(enter creditor representing):

Be nominated as a member of the committee

### Authorisation

To confirm that you have authority to nominate a committee member, please ensure that you complete this section:

Signed:

Date:

Position in relation to creditor:

## APPENDIX 8

Rule 15.8 Insolvency (England and Wales) Rules 2016

### **Notice to creditors of decision procedure by correspondence**

Name of Company: Rhino's Plant Hire Limited

Company Number: 05496592

Court Details: In the High Court of Justice Business and Property Courts in Birmingham  
CR-2023-BHM-000549

Creditors are asked to give consideration to the following decisions;

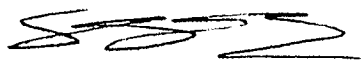
- That the Proposals of the Administrator be approved;
- That a creditors committee will NOT be established;
- That the Administrator's pre-appointment costs for assisting with placing the Company into Administration (and as detailed in the attached proposals) be approved;
- That the basis of the Administrator's remuneration be approved;
- That the Category 2 Expenses incurred by the Administrator be paid as an expense of the Administration
- That the Administrator be discharged from liability arising from appointment 28 days after filing the final progress report

The decision date for the proposed decision is 15 December 2023, and votes must be received by the convenor by 23:59 on this day.

This notice is delivered by Sonia Baigent, of 5 Old Forge Road, Ashby Magna, Lutterworth, Leicestershire, LE17 5NL. If creditors wish to contact the office-holder, please contact Sonia Baigent on 01455 560042 or by email at [sonia@assistbc.com](mailto:sonia@assistbc.com).

Further information and guidance on the requirements for attendance, process for objecting to these resolutions and/or requesting the convening of a physical meeting is attached.

Signed



---

Sonia Baigent

Date

27 NOVEMBER 2023

## APPENDIX 9

### RHINO'S PLANT HIRE LIMITED – IN ADMINISTRATION

#### Decision procedure by correspondence Creditors' voting instructions

As detailed in the notice, Sonia Baigent has requested that the creditors consider the following decision by correspondence.

In order to vote on the decision, creditors should indicate their wishes next to the decision, sign and date this document and return it to Sonia Baigent of Assist Business Consulting Limited at 5 Old Forge Road, Ashby Magna, Lutterworth, Leicestershire, LE17 5NL, by 23:59 on 15 November 2023.

#### Decision

- |                                                                                                                                                                     |                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| • That the Proposals of the Administrator be approved                                                                                                               | <b>FOR/AGAINST</b> |
| • That a creditors committee will NOT be established                                                                                                                | <b>FOR/AGAINST</b> |
| • That the Administrator's pre-appointment costs for assisting with placing the Company into Administration (and as detailed in the attached proposals) be approved | <b>FOR/AGAINST</b> |
| • That the basis of the Administrator's remuneration be approved                                                                                                    | <b>FOR/AGAINST</b> |
| • That the Category 2 Expenses incurred by the Administrator be paid as an expense of the Administration                                                            | <b>FOR/AGAINST</b> |
| • That the Administrator be discharged from liability arising from appointment 28 days after filing the final progress report                                       | <b>FOR/AGAINST</b> |

Signed .....

Name in capital letters .....

Date .....

Name of creditor .....

Position in relation to creditor .....

For office use only

Proof of debt received: Y/N

Checked by .....

## INFORMATION AND GUIDANCE

### Request for physical meeting

R15.6(1) Creditors who meet one or more of the statutory thresholds listed below may request, in writing within 5 business days from the date of delivery of this notice, a physical meeting to be held to consider any decisions proposed or other matters. The statutory thresholds to request a meeting are any of the following:

Section	1	10% in value of the creditors
246ZE(7)/	2	10% in number of the creditors
S379ZA	3	10 creditors
IA86		

### Termination of process on request for physical meeting

If there are sufficient requests for a physical meeting the virtual meeting process will be terminated and a physical meeting convened

Creditors can still request remote access to any physical meeting

### Voting

Rule15.9(1)(b) In order to vote on the decisions, creditors should complete the decision document attached to this notice and return it to the convenor by the decision date. Any vote must be accompanied by a proof in respect of the creditor's claim unless it has already been given to the convenor.

### Small debts

Rule 14.31(1) Any creditor whose debt is treated as a small debt (£1,000 or less) for the purposes of any dividend must still deliver a proof of debt if you wish to vote in any decision making.

### Opted-out creditors

A creditor who has opted out from receiving notices may still vote on these decisions if a proof of debt is provided as detailed above.

### Appeal process

Rule 15.35 A creditor may appeal any actions of a chair or convener by application to the court. Any appeal must be made no later than 21 days after the decision date.