

AM23

Notice of move from administration to dissolution



For further information, please refer to our guidance at www.gov.uk/companieshouse

1 Company details

Company number	<input type="text"/>
Company name in full	<input type="text"/>

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

2 Court details

Court name	<input type="text"/>
Court number	<input type="text"/>

3 Administrator's name

Full forename(s)	<input type="text"/>
Surname	<input type="text"/>

4 Administrator's address

Building name/number	<input type="text"/>
Street	<input type="text"/>
Post town	<input type="text"/>
County/Region	<input type="text"/>
Postcode	<input type="text"/>
Country	<input type="text"/>


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5 Administrator's name ①	
Full forename(s)	
Surname	
① Other administrator Use this section to tell us about another administrator.	

6 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.	

7 Final progress report
<input type="checkbox"/> I have attached a copy of the final progress report

8 Sign and date	
Administrator's signature	<p>Signature</p> <p>X  X</p>
Signature date	<p>d d m m y y y y</p>

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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

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone



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 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 or email 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

TO ALL KNOWN CREDITORS

29 April 2022

Ref: CPD/LJ/LMcW/D21.1

Direct line: 0141 226 9202
Lucy McWalters
LJones2@parthenon.ey.com

Dear Sirs

Transflex Vehicle Rental Limited (in Administration) (“the Company”)

I write to provide you with our final progress report in the Administration, which includes details of the outcome. The report covers the period from 16 October 2021 to 15 April 2022 and should be read in conjunction with our Statement of Proposals (“the Proposals”) dated 23 April 2018 and our previous reports dated 14 November 2018, 15 May 2019, 8 November 2019, 11 May 2020, 11 November 2020, 7 May 2021 and 12 November 2021. Statutory information about the Company, the Administration and the office holders is given at Appendix 1.

Summary of the Joint Administrators’ proposals

As set out in the Proposals, which were approved by a decision procedure by the creditors on 10 May 2018, the Company was a leading provider of commercial vehicle hire, sales and services across England with a head office in Stockton, and other bases in Buckingham, Manchester and Bristol. The Company rented out a fleet of around 3,500 vans and cars to a broad customer base across a diverse range of sectors.

Equistone Private Equity (“EPE”) acquired a majority stake in T.O.M Group Limited (“TGL”) in December 2016 which subsequently enabled the acquisition by TGL of the Company in August 2017. TGL was the 100% shareholder of Transflex Vehicle Rental Limited and a number of other group entities (“the Group”). The main trading business of the Group was T.O.M. Vehicle Rental Limited (“TOM VRL”).

Creditors will recall that following the appointment of Administrators over the Group, with the exception of the Company, on 28 March 2018, the Company received a letter from HMRC providing 7 days’ notice of their intention to seek a winding up order against the Company in respect of the Group VAT liability, largely accrued in TOM VRL.

The Company was not put into immediate insolvency proceedings given it was still in a position to continue to trade in the short term and there was still interest from potential purchasers. However, a Notice of Intention to Appoint Administrators was lodged in Court on 29 March 2018 to provide the Company with the protection of an interim moratorium whilst a sale of the Company was pursued.

Trading the Group in administration whilst a sale was explored was not considered feasible and therefore an accelerated marketing process of the Group and its assets was considered the best course of action for the creditors as a whole. As such, C P Dempster and F L Taylor were appointed as Joint Administrators of the Company on 16 April 2018 and shortly following, a sale of certain business and assets of the Company to Dawsongroup Vans Limited (“Dawsongroup”) (“the Purchaser”) was concluded.

Summary of steps taken during the Administration

Sale of Business

As noted above, immediately following our appointment on 16 April 2018, we completed a sale of the Company's business and certain assets to Dawsongroup for a total consideration of £150,000 (excluding VAT). All of the consideration was paid on completion and is reflected in our receipts and payments account attached at Appendix 2. In accordance with Statement of Insolvency Practice 16, a detailed explanation of this transaction was provided to creditors on 23 April 2018.

All employees of the Company transferred to Dawsongroup under TUPE legislation as part of the sale process thereby avoiding any preferential creditor claims and redundancy and lieu of notice claims from employees who would otherwise have had to be made redundant.

Leasehold properties

As part of the sale of the Company's business and certain assets to Dawsongroup immediately following the appointment, we granted Dawsongroup a licence to occupy the Company's four leasehold properties until the leases could be assigned to Dawsongroup or new leases agreed. At the time of our previous report, three of the four leases had completed. I am pleased to advise the lease for the remaining site at Buckingham was successfully assigned to Dawsongroup on 13 April 2022, bringing the matter to a close.

Debtors

The key asset not included in the sale was the Company's debtor book of £3.5m (net of £0.4m owed by other group companies). Pursuant to the terms of the sale agreement, Dawsongroup were appointed to collect the book debts on behalf of the Joint Administrators on a commission basis for the six months following completion of the sale.

External debt collection agents were subsequently appointed in December 2018 to continue pursuing the remaining outstanding debtor balances and, as previously advised, total realisations of £2.75m were achieved.

Cash and credit card security deposits

As creditors may recall, in the first six months of the Administration, we liaised with the Company's bank and merchant service providers to secure the funds held at the date of appointment and a total of £193k was received in that regard.

Extension of Administration

The Administration of the Company was automatically due to expire on 15 April 2019, being the anniversary of the appointment of the Joint Administrators. It was, however, clear that the Administration would not be concluded on this date. Accordingly, the Administration was extended as follows:

- The requisite creditors' consent was received, allowing the Joint Administrators to extend the period of the Administration by 12 months to 15 April 2020 in accordance with Rule 3.54 of the Insolvency (England & Wales) Rules 2016 and paragraph 78(5) of Schedule B1 to the Insolvency Act 1986.

- A further extension of 12 months to 15 April 2021 was granted by the County Court in accordance with Rule 3.54 of the Insolvency (England & Wales) Rules 2016 and paragraph 78(5) of Schedule B1 to the Insolvency Act 1986.
- A final extension of 12 months to 15 April 2022 was granted by the County Court in accordance with Rule 3.54 of the Insolvency (England & Wales) Rules 2016 and paragraph 78(5) of Schedule B1 to the Insolvency Act 1986.

These extensions were granted in order to allow a full realisation of the Company's assets and to make a distribution to the non-preferential unsecured creditors.

Distributions to creditors

Secured creditors

Whilst Barclays Bank held a qualifying floating charge over the assets of the Company, no sums were due to them at the date of appointment.

In addition, a number of vehicle funders had security over vehicles and hire agreements supplied to the Company at the date of appointment. The Company's interests in the vehicles and hire agreements were assigned to Dawsongroup as part of the pre-pack sale.

Preferential creditors

We are not aware of the existence of any preferential creditor claims given that all employees of the Company transferred to Dawsongroup under TUPE legislation.

Non-preferential creditors

A first and final distribution of 42.43p in the £, equating to a total dividend of £1,748,973 was paid to the non-preferential creditors on 5 August 2021. All unclaimed dividend cheques were consigned to the Insolvency Service on 2 March 2022.

Prescribed Part

The Prescribed Part is a proportion of floating charge assets aside for non-preferential creditors pursuant to Section 176A of the Insolvency Act 1986. As the floating charge holder had no debt at the date of appointment, the Prescribed Part did not apply in this case.

Notice of no further dividend

In accordance with Rule 14.37(2) of the Insolvency (England and Wales) Rules 2016, I give notice that we are unable to declare any further dividend to the non-preferential creditors because the funds realised have already been distributed or used for paying the expenses of the Administration.

Application to Court for permission to make distribution to non-preferential creditors

As Creditors may recall, the Court granted the Joint Administrators permission to make a distribution to the non-preferential creditors in the Administration in terms of Paragraph 65(3)(b) of Schedule 1 of the Insolvency Act 1986. This avoided the increased costs of moving from Administration to Creditors' Voluntary Liquidation before a distribution could be made.

Receipts and payments account

I enclose a final receipts and payments account for the period from 16 October 2021 to 15 April 2022.

Investigations

We concluded our investigations into the Company's affairs, in accordance with Statement of Insolvency Practice 2 (Investigations by Office Holders), and the Company Director Disqualification Act 1986 with the required statutory returns made to the Insolvency Service.

Joint Administrators' remuneration

The statutory provisions relating to remuneration are set out in Part 18 of the Insolvency (England and Wales) Rules 2016.

Further information is given in the Association of Business Recovery Professionals' publication 'A Creditors' Guide to Administrators' Fees' a copy of which may be accessed from the web site of the Institute of Chartered Accountants in England and Wales at <https://www.icaew.com/en/technical/insolvency/creditors-guides> or is available in hard copy upon written request to me.

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if they consider the costs to be excessive (Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016). Further information is provided in 'A Creditors' Guide to Administrators' Fees' referred to above.

In accordance with our fee estimate dated 23 April 2018, our remuneration of £500,148 was initially fixed on a time-cost basis by a resolution of the creditors on 10 May 2018. Our revised fee estimate dated 15 November 2019 was subsequently approved by the creditors, fixing our remuneration at £749,766.

Following the extension of the Administration to 15 April 2022, approval of a further revised fee estimate dated 7 May 2021 was approved by the creditors on 28 May 2021, fixing the Joint Administrators' remuneration at £899,766.

During the period covered by this report, we have incurred time costs of £54,452 bringing total time costs to £1,072,083. Of this sum, £899,766 has been invoiced and paid. An analysis of the time spent, and a comparison with the revised fee estimate dated 7 May 2021 is attached as Appendix 4 to this report.

Joint Administrators' statement of expenses incurred

During the period covered by this report, the Joint Administrators have not incurred or paid any expenses. There is a breakdown of expenses incurred to date at Appendix 3 to this report.

As previously advised, a significant proportion of the original estimate of expenses was ultimately not required, resulting in an increase in the non-preferential creditor distribution.

Pre-administration costs

The Joint Administrators' Proposals dated 23 April 2018 included a statement of pre-administration costs totalling £206,206 plus VAT which was outstanding at the date on which the Company entered Administration. On 10 May 2018, payment of the unpaid costs was approved by the creditors and the amounts were subsequently drawn and paid.

The outcome of the Administration

In accordance with the terms of the Proposals, as there are no further matters to be considered, assets to be realised or distributions to be made, the Company will move from Administration to Dissolution. The Administration will come to an end on the date on which the notice is registered by Companies House and the Company will be deemed to be dissolved three months later.

Should you have any remaining questions about the Administration, please do not hesitate to contact my colleague, Lucy McWalters at this office.

Yours faithfully



C P Dempster
Joint Administrator

Enc: Copy of Form AM23

C P Dempster is licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants of Scotland and F L Taylor is licensed in the United Kingdom to act as an Insolvency Practitioner by The Institute of Chartered Accountants in England and Wales.

The affairs, business and property of the Company are being managed by the Joint Administrators, C P Dempster and F L Taylor, who act as agents of the Company only and without personal liability.

The Joint Administrators may act as data controllers of personal data as defined by the UK General Data Protection Regulation (as incorporated in the Data Protection Act 2018), depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

Appendix 1

Information about the proceedings, the company and the office holders, as required by Rule 18.3(1) of the Insolvency (England and Wales) Rules 2016

Name of court:	High Court of Justice, Newcastle upon Tyne District Registry
Court reference:	200 of 2018
Registered name of the Company:	Transflex Vehicle Rental Limited
Registered office address of the Company:	c/o Ernst & Young LLP, 2 St Peter's Square, Manchester, M2 3EY
Registered number:	07841788
Country of incorporation (for a company incorporated outside the United Kingdom):	United Kingdom
Date of appointment of the Joint Administrators:	16 April 2018
Details of any changes of Administrator:	None
Full names of the Joint Administrators:	Colin Peter Dempster and Fiona Livingstone Taylor
Office holder numbers:	8908 and 8787
Joint Administrators' address:	Ernst & Young LLP, 144 Morrison Street, Atria One, Edinburgh, EH3 8EX
Telephone number:	0141 226 9202
Name of alternative person to contact with enquiries about the case:	Lucy McWalters

Transflex Vehicle Rental Limited (In Administration)

Joint Administrators' Abstract of Receipts and Payments from 16 October 2021 to 15 April 2022

Estimated to Realise per Directors' Statement of Affairs		Cumulative to 15 October 2021	Transactions since 16 October 2021	Cumulative to 15 April 2022
		£	£	£
	Floating Charge Receipts			
3,076,203	Book debts	2,741,573	0	2,741,573
132,003	Cash at date of appointment	192,945	0	192,945
28,041,075	Motor vehicles	140,000	0	140,000
5,052	Plant & equipment	9,992	0	9,992
	Transfer of records & contracts	3	0	3
	Other assets	2	0	2
39,804	Stock	1	0	1
	Intellectual property	1	0	1
	Goodwill	1	0	1
	Sundry income	113	0	113
	Bank interest	22,796	0	22,796
	Prepaid licence to occupy income	(136)	0	(136)
31,294,137		3,107,290	0	3,107,290
	Floating Charge Payments			
	Pre-Administration costs	206,206	0	206,206
	Wage arrears	94,468	0	94,468
	Debt collection - commission	135,008	0	135,008
	Legal fees	11,390	0	11,390
	Legal disbursements	1,435	0	1,435
	Public notices	853	0	853
	Corporation Tax	4,064	0	4,064
	Joint Administrators' fees	899,766	0	899,766
	Joint Administrators' disbursements	4,713	0	4,713
	Insurance	112	0	112
	Storage charges	185	0	185
	Consignment fee	26	0	26
	Bank interest and charges	92	0	92
		(1,358,317)	0	(1,358,317)
	Distributions			
	Unsecured Creditors	1,748,973	0	1,748,973
		(1,748,973)	0	(1,748,973)
		0	0	0

Notes

- Receipts and payments are stated net of VAT.

Transflex Vehicle Rental Limited (In Administration)

Summary of Joint Administrators' expenses incurred

Type of Expense	Per estimate dated 23 April 2018	Paid as at 15 October 2021	Paid in period to 15 April 2022	Revised Total
	£	£	£	£
Payments made from the estate which are not expenses (see notes 1 and 2 at the end of this table)				
Legal costs	75,000	12,804	-	12,804
Agents' fees	5,000	135,008	-	135,008
Statutory costs	2,000	879	-	879
Insurance	2,000	112	-	112
Storage	1,000	185	-	185
Bank charges	250	92	-	92
Corporation tax	10,000	4,063	-	4,063
Wage arrears	-	94,468	-	94,468
Category 1 expenses (see Note 2)				
Accommodation and subsistence	2,000	646	-	646
Specific penalty bond	1,000	1,110	-	1,110
External copying, printing and postage	500	794	-	794
Travel costs (exc. mileage)	400	50	-	50
Category 2 expenses (note 2)				
Postage & printing	-	2,005	-	2,005
Mileage	1,500	108	-	108
Totals	100,650	252,324	-	252,324

Notes

- 1 Statement of Insolvency Practice No.9 defines expenses as any payments from the insolvency estate which are neither an office holder's remuneration or a distribution to a creditor or member.
- 2 Expenses are divided into those that do not need approval before they are charged to the estate (Category 1) and those that do require prior approval (Category 2):
 - Category 1 expenses are payments to persons providing the service to which the expense relates who are not an associate of the office holder
 - Category 2 expenses are payments to associates or which have an element of shared costs.
- 3 Expenses also include disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Disbursements fall into either Category 1 or Category 2.

Transflex Vehicle Rental Limited (In Administration)

Joint Administrators' time costs for the period from 16 October 2021 to 15 April 2022 and a comparison with the revised fee estimate dated 7 May 2021

Type of Work	Per Revised fee estimate dated 7 May 2021			Actual in this report period			Total actual to 15 April 2022		
	Total hours	Time costs £	Average hourly rate £	Total hours	Time costs £	Average hourly rate £	Total hours	Time costs £	Average hourly rate £
Accounting & Administration	313.2	129,734	414	31.3	16,042	513	431.8	182,738	423
Bank & Statutory Reporting	144.4	61,961	429	-	-	-	153.7	65,207	424
Creditors	567.6	273,033	481	17.0	8,037	473	678.2	323,734	477
Debtors	160.3	103,037	643	-	-	-	160.8	103,295	642
Employee Matters	10.3	5,888	572	-	-	-	10.3	5,888	572
Immediate Tasks	22.4	14,575	651	-	-	-	22.4	14,575	651
Investigations	67.5	26,017	385	-	-	-	67.5	26,017	385
Legal Issues	32.7	21,622	661	-	-	-	31.7	20,942	661
Members	0.9	537	597	-	-	-	0.9	537	597
Other Assets	45.5	25,331	557	-	-	-	51.3	27,636	539
Other Matters	19.4	7,718	398	-	-	-	18.9	7,561	400
Property	76.7	40,167	524	14.5	12,038	830	98.5	57,027	579
Statutory Duties	263.6	120,890	459	29.1	17,399	598	371.3	169,494	456
VAT & Taxation	153.6	68,396	445	3.4	935	275	149.5	66,572	445
Retention of Title	2.6	860	331	-	-	-	2.6	860	331
Total time costs incurred £	1,880.7	899,766	478	95.3	54,452	571	2,249.4	1,072,083	477

Category of work	Description of work completed
Accounting & Administration	<ul style="list-style-type: none"> ▶ Overall management of the case, treasury and accounting functions, statutory compliance diaries and time cost reporting.
Bank & Statutory Reporting	<ul style="list-style-type: none"> ▶ Preparing the Joint Administrators' Statement of Proposals, six monthly progress reports and final report.
Creditors	<ul style="list-style-type: none"> ▶ Receipt and recording of creditor claims. ▶ Correspondence with creditors. ▶ Processing distributions to creditors (as applicable). ▶ Arranging for application to court for permission to make distribution to non-preferential creditors.
Debtors	<ul style="list-style-type: none"> ▶ Working with the Purchaser and agents to realise value from book debts and prepayments. ▶ Discussing and agreeing book debt collection with debtors.
Employee Matters	<ul style="list-style-type: none"> ▶ Writing to employees regarding TUPE related matters. ▶ Dealing with any employee enquiries.
Immediate Tasks	<ul style="list-style-type: none"> ▶ Completion of work streams requiring immediate attention following the appointment, in order to execute the strategy outlined in the Proposals.
Investigations	<ul style="list-style-type: none"> ▶ Investigations into the Company's affairs in accordance with Statement of Insolvency Practice 2 "Investigations by Office Holders". ▶ The Joint Administrators' report on the conduct of the directors under the Company Directors Disqualification Act 1986.
Job Acceptance & Strategy	<ul style="list-style-type: none"> ▶ Matters relating to the appointment and initial planning of the Administration strategy, including meetings with the Company's directors and management and formulating and executing the strategy adopted. ▶ Considering exit routes from Administration and implementing the most appropriate route.
Legal Issues	<ul style="list-style-type: none"> ▶ Dealing with any ad hoc legal issues.
Members	<ul style="list-style-type: none"> ▶ Liaising with the shareholders (as required).

Other Assets	<ul style="list-style-type: none"> ▶ Realising value from the Company's residual assets. ▶ Assessing, quantifying and seeking to realise value from assets not recorded in the management accounts of the Company at the date of appointment.
Other Matters	<ul style="list-style-type: none"> ▶ Recovery of the Company's physical books and records, and electronic records (including a back-up of company servers and systems), where applicable.
Property	<ul style="list-style-type: none"> ▶ Liaising with landlords to finalise any outstanding leasehold matters including assignation/surrender of leases. ▶ Paying rent/service charges due under LTOs granted to Purchaser.
Public Relations	<ul style="list-style-type: none"> ▶ Agreeing and issuing statements to the press as required in pursuit of Administration strategy.
Retention of Title	<ul style="list-style-type: none"> ▶ Assessment and settlement of claims for retention of title from the Company's suppliers (if applicable).
Statutory Duties	<ul style="list-style-type: none"> ▶ Completion of statutory requirements of the Administration, including notifications to creditors and members, advertising the appointment, letter to creditors pursuant to Statement of Insolvency Practice 16, and sending to creditors and filing at Companies House. ▶ Arranging for extensions of Administration via decision of creditors / application to court, where applicable.
VAT & Taxation	<ul style="list-style-type: none"> ▶ Preparing annual corporation tax and quarterly VAT returns, with input from EY VAT and tax specialists. ▶ Assessment of the VAT and tax treatment of transactions and agreements entered into during the Administration. ▶ Preparing claims for VAT bad debt relief.