

# AM10

## Notice of administrator's progress report



Companies House

THURSDAY



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23/11/2017

#129

COMPANIES HOUSE

### 1 Company details

Company number 0 1 6 3 8 0 3 4

Company name in full Motor Supplies (Weston) Limited

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

### 2 Administrator's name

Full forename(s) Timothy Colin Hamilton

Surname Ball

### 3 Administrator's address

Building name/number Mazars LLP

Street 90 Victoria Street

Post town Bristol

County/Region

Postcode B S 1 6 D P

Country

### 4 Administrator's name ①

Full forename(s) Guy Robert Thomas

Surname Hollander

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

### 5 Administrator's address ②

Building name/number Tower Bridge House

Street St Katharine's Way

Post town London

County/Region

Postcode E 1 W 1 D D

Country

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

## AM10

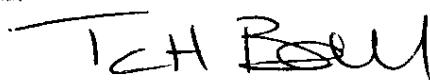
## Notice of administrator's progress report

**6** Period of progress report

From date	d	2	d	5	m	0	m	4	y	2	y	0	y	1	y	7
To date	d	2	d	4	m	1	m	0	y	2	y	0	y	1	y	7

**7** Progress report☒ I attach a copy of the progress report**8** Sign and dateAdministrator's  
signature

Signature

X  X

Signature date

d	2	d	1	m	1	m	1	y	2	y	0	y	1	y	7
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**Motor Supplies (Weston) Limited  
In Administration**

**Administrators' progress report covering the period from 25 April 2017 to  
24 October 2017**

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**Motor Supplies (Weston) Limited - In Administration**  
**Administrators' progress report covering the period from 25 April 2017 to 24 October 2017**

**To all known creditors**

**1. Introduction**

- 1.1. This report is prepared pursuant to Rule 18.3 and 18.6 of the Insolvency Rules (England and Wales) 2016, the purpose of which is to provide creditors with details of the progress of the Administration covering the period to the six month anniversary of the Administration, being 24 October 2017.
- 1.2. I was appointed as Joint Administrator of the Company, together with Mr G R T Hollander, on 25 April 2017. Both Mr Hollander and I are authorised to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.3. This report should be read in conjunction with the Joint Administrators' proposals issued to creditors on 14 June 2017.
- 1.4. The purpose of the Administration is to achieve a better result for the Company's creditors as a whole than would have been likely if the Company had been wound up (without first being in Administration).
- 1.5. Identification details regarding the Company and the Administrators are attached at *Appendix A*.

**2. Administrators' Receipts and Payments**

- 2.1. A summary of my receipts and payments covering the period from 25 April 2017 to 24 October 2017 is attached at *Appendix B*. A comparison of the estimates provided in the directors' statement of affairs to actual realisations made to date is also provided.
- 2.2. There is currently a balance in hand of £67,282 comprising of cash at bank of £51,762, and a VAT receivable balance of £15,520 which is to be reclaimed from HM Revenue & Customs in due course. Further details of the realisations made and expenses paid are provided below.

**3. Asset Realisations and Details of Progress**

- 3.1. The following asset realisations have been concluded.

**Cash Secured from Third party**

- 3.2. As creditors will recall, prior to the appointment of the Joint Administrators, the Company's directors transferred a total £46,035 to Mazars LLP from the Company's bank account to hold on behalf of the Company in anticipation of their appointment. Of the amount received,

£9,000 related to book debts realised shortly prior to the Company being placed into Administration.

- 3.3. Immediately following the Joint Administrators' appointment, the sum of £46,035 was transferred from Mazars LLP's account to the Company's Administration account.
- 3.4. I can confirm that no further realisations are anticipated in this regard.

#### **Book Debts**

- 3.5. As creditors will recall, the total sum outstanding on the Company's debtors' ledger at the date of my appointment was approximately £150,000, of which between £100,000 to £120,000 was expected to be realisable. The Directors' Statement of Affairs estimated that expected realisations would amount to £110,000.
- 3.6. Shortly following my appointment, I instructed specialist insolvency debt collection agents, Credebt Limited, to assist the Administrators in realising the outstanding ledger.
- 3.7. I am pleased to report that, as at the date of this report, a total of £99,871 has been realised in this regard. This amount is in addition to the £9,000 realised shortly prior the Administration, and which has been reported above.
- 3.8. Credebt are continuing to seek to realise those balance which remain outstanding. The quantum of the final level of realisations, however, remains uncertain but is now thought will amount to approximately a further £10,000.

3.9. **Plant and Equipment, Motor Vehicles, and Other Chattel Assets**

- 3.10. As creditors are aware, specialist agents and valuers, Gordon Brothers Europe ("GBE"), were instructed to assist with the valuation of the Company's chattel assets. The assets in question comprised of the following:
- Plant and Equipment, including a mezzanine floor at the Company's premises
  - Motor Vehicles
  - Stock
  - Office furniture and Equipment
- 3.11. GBE initially valued the Company's tangible assets on a break up basis at £11,370. The Directors' Statement of Affairs estimated that realisations would amount to £20,000.
- 3.12. I can report, however, that total realisations have exceeded my agents' initial estimates and have amounted to £18,500 (plus VAT). Full details of the sums realised are provided in the Receipts and Payments account, attached at **Appendix B**.
- 3.13. I would advise creditors that a small number of Retention of Title Claims ("ROT") were received and, having reviewed the validity of these claims and having discussed the value of the assets in question with GBE, all of the creditors with ROT claims were granted access, under the supervision of GBE, to recover their assets.

- 3.14. In addition, the Company possessed four leased vehicles and, following the advice of GBE, all of these vehicles were returned to the lessor in question as the Company had no financial interest in them.

#### **Sundry refunds**

- 3.15. A small number of DVLA road fund license refunds, totalling £249, have been recovered in the Administration. No further realisations are now anticipated in this regard.
- 3.16. The Administrator is currently reviewing the possibility of securing a refund in respect of overpaid business rates paid previously by the Company. The outcome of this review, however, currently remains uncertain.

### **4. Assets still to be realised**

- 4.1. Assets still to be realised comprise:

#### **Book debts**

- 4.2. As detailed above, at the date of this report, outstanding debtors owing to the Company amount to approximately £41,000.
- 4.3. The Administrators will continue to pursue these outstanding debts with the assistance of their debt collection agents. However, as mentioned above, the final level of realisation remains uncertain.
- 4.4. Should any significant book debts be disputed or remain unpaid, I would advise creditors that the Joint Administrators may choose to instruct their solicitors to assist with pursuing such sums.
- 4.5. In addition, a possible VAT Bad Debt Relief claim will be considered following the completion of the debt collection process.

#### **Corporation Tax – Terminal Loss Relief Claim**

- 4.6. My firm's Corporation Tax Department are currently in the process of reviewing the Company's tax affairs in order to identify whether there is any claim to be made in relation to Corporation Tax paid by the Company in recent years which could now be set against recent trading losses with a view to obtaining a refund, or, more likely, reducing the unsecured claim of H M Revenue & Customs. It should be noted that any "Crown Debts" owing to H M Revenue & Customs are likely to be offset against any possible claim (refund due) that could be made in this regard, and this will be assessed and taken into account before any significant time is spent with regard to submitting a claim.

## **5. Estimated Outcome Statement**

- 5.1. An estimate of the outcome of the Administration is attached at *Appendix C*.
- 5.2. Based on expected realisations and payments, it is expected that there will be sufficient funds to enable a modest return to unsecured creditors.
- 5.3. Further details on the expected outcome for each class of creditor is provided below.

## **6. Liabilities**

### **6.1. Secured Creditors**

- 6.1.1. A fixed and floating charge debenture was registered against the Company in favour of Lloyds TSB Bank PLC (“the Bank” or “Lloyds”). It was created on 10 December 2001 and was registered at Companies House on 15 December 2001. At the date of the Administrators’ appointment, the Company’s bank account was in credit and the Company’s credit card balance was zero. Accordingly, it was understood that the Bank had no claim in the Administration.
- 6.1.2. I can confirm that the Bank has been written to regarding the Administration and I would advise creditors that no claim has yet been received from the Bank. I would advise creditors that I am continuing to liaise with the Bank regarding the Company’s records/statements. Should a claim be unexpectedly received, it will be reviewed by the Joint Administrators and reported to creditors in the Joint Administrators’ next progress report.

### **6.2. Preferential Creditors**

- 6.2.1. The preferential creditors’ claims relate to the Company’s 20 former employees’ unpaid wages (subject to an £800 limit) and holiday pay. Preferential creditors’ claims are anticipated to amount to £12,738.
- 6.2.2. The former employees have submitted claims under the provisions of the Employment Rights Act 1996 to the Redundancy Payments Service (“RPS”) and it is understood that payments have been made by the RPS, up to the relevant statutory limits. The RPS will have a preferential claim in the Administration in relation to the preferential sums which it has paid to the employees.
- 6.2.3. The balance (if any) of each employee’s preferential claim over and above the RPS’s statutory limit, will form a residual preferential claim in the Administration.
- 6.2.4. The claim of the Company’s preferential creditors will now shortly be agreed by the Administrators.
- 6.2.5. It is anticipated that the Company’s preferential creditors will be paid in full.

**6.3. Unsecured Creditors**

- 6.3.1. According to the Directors' Statement of Affairs, unsecured creditors' claims are stated as totalling £289,219. This total is comprised of trade creditors amounting to £72,904; H M Revenue and Customs ("HMRC") claims in respect of VAT, PAYE, and NIC, totalling £19,636; outstanding Directors' loan accounts totalling £81,274; and employee unsecured claims of £115,405.
- 6.3.2. The Joint Administrators have, however, received a significant claim amounting to approximately £270,000 from Group Auto Union UK & Ireland Limited ("GAU"), the Company's principal supplier, in respect of its residual claim following the collection of its stock. I would advise creditors that this claim will shortly be queried with GAU.
- 6.3.3. To date, HMRC has submitted an initial claim in the sum of £4,616 in respect of PAYE and National Insurance, which is slightly higher than the figure of £3,586 stated by the Company's Directors in their Statement of Affairs. A HMRC claim in respect of VAT is also expected in the near future.
- 6.3.4. Claims totalling £81,274 have been received from the Directors of the Company in respect of the loans previously provided to the Company. I would confirm that that this claim will shortly be reviewed by the Administrators.
- 6.3.5. At this time it appears that sufficient funds will be realised to allow a modest dividend to be paid to the Company's unsecured creditors following the costs of the Administration and subsequent liquidation.

**7. Prescribed Part**

- 7.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. I would advise creditors, however, that as the secured creditor, Lloyds, does not have a claim in the Administration, the prescribed part will not apply in this instance. Furthermore, even if the secured creditor did have a claim, as the floating charge pre-dates 15 September 2003, the Prescribed Part would still not apply in this case.

**8. Investigations**

- 8.1. As advised in the Administrators' proposals, under the Company Directors Disqualification Act 1986, the Joint Administrators are required to investigate the affairs of the Company and the conduct of the directors during the three years prior to the Administration. The Joint Administrators can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service on 21 July 2017.
- 8.2. In accordance with Statement of Insolvency Practice 2, the Joint Administrators also carried out an initial assessment of the Company's affairs in the period prior to Administration to identify any actions which may lead to recoveries in the Administration for the benefit of creditors and



to consider any further investigations which may be required. Following this initial review no further assets or actions were identified which would lead to a recovery for creditors.

- 8.3. Should creditors have any information which they consider may assist the Joint Administrators in carrying out their investigations, or be aware of any matters which they believe should be brought to the attention of the Administrators, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

## 9. Pre-Administration Costs

- 9.1. The pre-administration costs totalled £19,639 as set out below. These costs were incurred before the Company entered administration but with a view to it doing so. Approval of these costs and authorisation that they be drawn as an expense of the Administration was obtained at a meeting of creditors held on 10 July 2017.

Recipient	Nature of work provided	Amount incurred (£)	Amount paid (£)
Mazars LLP	Advice to the Company and work required to place the Company into Administration	17,296	17,296
Thrings LLP	Thrings LLP were instructed to: prepare board minutes, statutory paperwork relating to the appointment of the Administrators, attend the Board meeting, file documents at Court and serve documents on any relevant parties.	2,343	2,343
	These fees have been incurred on a time-cost basis, and have been reviewed and agreed as reasonable in the circumstances by the Joint Administrators.		
<b>Total</b>		<b>19,639</b>	<b>19,639</b>

## **10. Administrators' Remuneration**

A resolution was passed by the creditors at a meeting held on 10 July 2017, enabling the Joint Administrators to draw their remuneration by reference to the time properly spent by the Administrators and their staff in dealing with the matters arising during the Administration, subject to the Fees Estimate of £84,165, issued to creditors on 14 June 2017.

- 10.1. Attached at **Appendix E1** is a comparison of the Administrators' Fees Estimate to actual time costs incurred during the six month period from 25 April 2017 to 24 October 2017. Creditors will note that these time costs which total £67,610, represent 342 hours at an average hourly rate of £198.
- 10.2. Attached at **Appendix E2** is a narrative summary of the Administrators' time costs, which provides further information on the work carried out during the current reporting period, why the work was necessary and whether the work has provided a financial benefit to creditors.
- 10.3. As at 24 October 2017, an amount of £62,500 has been drawn against the Administrators' time costs in respect of the Administration.
- 10.4. Based on the current level of time costs and expected future work for the completion of the Administration, it is currently thought that the Administrators' total time costs will not exceed the approved Fees Estimate of £84,165.
- 10.5. Details of the future work anticipated to be carried out by the Joint Administrators includes:
  - Agree preferential creditor claims and pay preferential dividend.
  - Realisation of remaining assets as detailed in Section 4 of the report.
  - Commencing a review of the unsecured creditor claim received from GAU, as detailed in section 6.3 of the report.
  - Further statutory reporting and statutory and compliance functions.
  - Tax and VAT compliance, including preparing tax computations and returns in respect of the Administration period and seeking final tax clearance prior to closure.
  - Filing VAT returns and recovery of VAT receivable.
- 10.6. As indicated in the EOS attached at **Appendix C**, it is estimated that a further £21,665 will be drawn by the Administrators in respect of this work.
- 10.7. My Firm's charge out rates are reviewed annually on 1 September and, in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team members and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

- 10.8. The charge out rates of the team members employed on the assignment during the period covered by this report are provided below. Specialist departments within our Firm (such as Tax and VAT) have charged time to this case when their expert advice has been required. The rate ranges provided incorporate these different rates.

<b>Grade of Staff</b>	<b>Charge out rate per hour, effective from 1 September 2017</b>	<b>Previous charge out rate per hour, effective from 25 April 2017 to 31 August 2017</b>
	<b>£</b>	<b>£</b>
Partner	440	395
Director	390	360
Senior Manager	335	335
Insolvency Administrator	90 - 135	75-130
Cashiers	190	100-130
Secretary and support staff	90	40-85
Taxation Partner	500	300
Taxation Manager	220 – 325	150
Taxation Administrator	80 - 180	82

## **11. Administrators' Disbursements**

- 11.1. Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments directly to independent third parties) and Category 2 (costs incurred by the Joint Administrators or their firm that can be allocated to the case on a proper and reasonable basis).
- 11.2. Category 2 disbursements require approval in the same manner as remuneration, and creditors will recall that a resolution was passed on 10 July 2017 by the creditors in agreement of the anticipated Category 2 disbursements of the Joint Administrators.
- 11.3. Further details of the rates agreed are provided within the Rates and Disbursements policy which was provided in the Joint Administrators' proposals on 14 June 2017 and which is available upon request.
- 11.4. Details of the disbursements incurred in the period and whether they constitute Category 1 or Category 2 disbursements, is provided below. Details of disbursements paid during the period is provided within the attached receipts and payments account.

Type of Disbursement	Description	Amount incurred in period (£)
<b><u>Category 1</u></b>		
Specific bond	It is a legal requirement that I take out a specific bond in respect of the value of the assets. On the basis that the assets recovered were likely to total £175,000 the bond paid to JLT Specialty Ltd (my specialist insurance brokers) was £203	203
<b>Total Category 1</b>		<b>203</b>
<b><u>Category 2</u></b>		
Mileage	This expense represents the costs of travelling to the Company's premises in respect of the Office Holders' staff.  Members of the Administrators' team were required to attend site on 4 occasions to obtain Company records, meet with the Company's directors, and deal with the asset realisation/ disposal process.	92
<b>Total Category 2</b>		<b>92</b>
<b>Total</b>		<b>295</b>

## 12. Expenses

- 12.1. Details of all expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at **Appendix D**. This also includes a comparison to the original Expenses Estimate.
- 12.2. Further details of the expenses paid during the period of this report are shown in the receipts and payments account at **Appendix B**.
- 12.3. I have reviewed the expenses incurred to date and I am satisfied that they are reasonable in the circumstances of the case.

## 13. Creditors' Rights

### 13.1. Further information

- 13.1.1. I would advise you that, pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with the permission of the Court, may, within

21 days of receipt of this progress report, ask the Administrators for further information about the remuneration and expenses set out in this progress report.

### **13.2. Apply to Court**

13.2.1. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the Court may, within 8 weeks of the receipt of this progress report, apply to the Court on one or more of the following grounds:

- a. That the remuneration charged by the Administrators, is in all of the circumstances, excessive or inappropriate.
- b. That the basis fixed for the Administrators' remuneration is, in all of the circumstances, excessive or inappropriate.
- c. That the expenses incurred by the Administrators are, in all of the circumstances, excessive or inappropriate.

### **13.3. Further guidance**

13.3.1. Creditors can find additional information on their rights relating to Administrators' fees in a copy of the publication "A creditors guide to Administrators' Fees", which is available to download from

<https://www.r3.org.uk/media/documents/publications/professional/Administration%20Creditors%20Fee%20Guide%20April%202017.pdf>

or, alternatively, will be provided free of charge upon written request to this office.

## **14. Discharge of liability**

14.1. In accordance with Paragraph 98(2) of Schedule B1 of the Insolvency Act 1986, I am seeking a resolution that I be discharged from liability 14 days after my final report is issued.

14.2. Accordingly, a voting form is attached to this report for creditors to consider this decision. The resolution is being sought by the deemed consent procedure. If creditors do not disagree with the Administrators being discharged from liability 14 days after the final report is issued then creditors need not take any action.

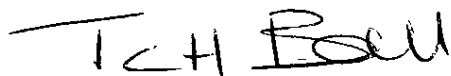
## **15. Ending the Administration**

15.1. As detailed above, the remaining matters outstanding in the Administration are as follows:

- Realising the residual debtor ledger highlighted in section 4 above
- Finalisation of investigations, specifically in relation to significant creditor claim received, and taking action, as appropriate.
- Responding to any creditor queries which arise
- Submission of periodic VAT returns and Corporation Tax computation/ return
- Preparation and submission of the final statutory report at the time of concluding the Administration
- Agreeing and paying preferential creditors

15.2. It is anticipated that sufficient assets will be realised in the Administration to allow preferential creditors to be paid in full and a modest dividend to be made to the unsecured creditors of the Company.

As such, it is envisaged that following the conclusion of the Administration, the Company will be placed into liquidation to allow unsecured creditor claims to be agreed and the dividend payment to be made.



**T C H Ball**  
Joint Administrator

**Dated 21 November 2017**

*Authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants in England and Wales and bound by the Insolvency Code of Ethics*

*The affairs, business and property of the Company are being managed by the Joint Administrators.  
The Joint Administrators act as agents of the Company and without personal liability*

**Motor Supplies (Weston) Limited**  
**- In Administration**

**Identification Details**

**Details relating to the Company**

<b>Company name</b>	Motor Supplies (Weston) Limited
<b>Previous names</b>	-
<b>Trading name</b>	Motor Supplies (Weston) Limited
<b>Company number</b>	01638034
<b>Registered office</b>	Mazars LLP, 90 Victoria Street, Bristol, BS1 6DP
<b>Former trading address</b>	Pottery Close, Winterstoke Road, Weston-Super-Mare, BS23 3YH
<b>Court</b>	County Court at Bristol
<b>Court reference</b>	65 of 2017

**Details relating to the Joint Administrators**

<b>Date of appointment</b>	25 April 2017
<b>Joint Administrators</b>	T C H Ball , IP No 008018 G R T Hollander, IP No 009233
<b>Joint Administrators' functions</b>	All acts required to be done by the Joint Administrators, may be done by either or both, acting jointly or alone
<b>Joint Administrators' address</b>	Mazars LLP, 90 Victoria Street, Bristol, BS1 6DP
<b>Appointed by</b>	The Directors
<b>Joint Administrator's contact telephone number</b>	0117 928 1700

**Motor Supplies (Weston) Limited – In Administration**
**Administrators' Receipts & Payments  
for the period from 25 April 2017 to 24 October 2017**

	Estimated to realise per Directors' Statement of Affairs	Total Realised / Paid Period from 25 April 2017 to 24 October 2017
	£	£
<b>RECEIPTS</b>		
Plant and machinery	4,500	4,500
Motor vehicles	10,000	8,500
Stock	5,000	5,000
Office equipment and IT	500	500
Book debts	110,000	99,871
Cash at Bank	38,206	46,035
Sundry refund	-	249
Bank interest (gross)	-	44
	<hr/> 168,206	<hr/> 164,699

**PAYMENTS**

Mazars LLP Pre Administration fees and disbursements	17,296
Solicitors Pre Administration costs	2,343
Accountancy fees re preparation of Statement of Affairs	750
Administrators' fees	62,500
Administrators' disbursements	294
Agent fee re. sale of chattel assets	4,850
Agent fees re book debt collection	7,701
Legal fees	342
Mail re. direction	275
Statutory Advertising	78
Insurance of assets	957
Bank charges	32
	<hr/> 97,418

**BALANCE OF FUNDS**
**Made up as follows:**

Cash held in Interest bearing account	51,762
VAT receivable	15,520
	<hr/> <b>67,282</b> <hr/>



**Motor Supplies (Weston) Limited - In Administration**
**Estimated Outcome Statement as at 24 October 2017**

	Estimated to realise per the Directors' Statement of Affairs £	Receipts and Payments		
		Period 25 April 2017 to 24 October 2017 £	Estimated future realisations/ payments £	Total £
<b>Uncharged assets</b>				
Cash Secured From Third Party	38,206	46,035	-	46,035
Plant and Equipment	4,500	4,500	-	4,500
Motor Vehicles	10,000	8,500	-	8,500
Stock	5,000	5,000	-	5,000
Office Furniture and Equipment	500	500	-	500
Book Debts	110,000	99,871	10,000	109,871
Sundry Other Asset Recoveries/refunds (Note 2)	-	249	Uncertain	Uncertain
Bank Interest (Gross)	-	44	Uncertain	Uncertain
	168,206	164,699	10,000	174,406
<b>Less: Costs of realisation</b>				
Joint Administrators' Remuneration		(62,500)	(21,665)	(84,165)
Joint Administrators' Disbursements		(294)	-	(294)
Pre-appointment costs (Mazars LLP and Thrings LLP)		(19,639)	-	(19,639)
Agents' Fees re: the Sale of the Company's Chattel Assets		(4,850)	-	(4,850)
Agents' Fees re: Debt Collection		(7,701)	(800)	(8,501)
Legal Fees		(342)	-	(342)
Insurance of the Company's Assets		(957)	-	(957)
Accountancy Fees in respect of the Directors' Statement of Affairs		(750)	-	(750)
Statutory Advertising		(78)	-	(78)
Re-direction of Mail		(275)	-	(275)
Corporation Tax		-	Uncertain	Uncertain
Bank charges		(31)	(10)	(41)
		(97,417)	(22,475)	(119,892)
<b>Funds Available for Preferential Creditors</b>				<b>54,514</b>
Less Preferential Creditors' Claims				(12,738)
<b>Estimated Funds Available for Unsecured Creditors</b>				<b>41,776</b>

*Note 1. As Creditors will note, it is anticipated that preferential creditors will be paid in full and it appears likely that sufficient funds will be available to allow a modest distribution to be made to the Company's unsecured creditors in the subsequent liquidation*

*Note 2. To include potential sundry refunds, CT Terminal Loss relief, VAT Bad Debt Relief claim, etc. which are all currently being looked into or will be in the case of VAT Bad Debt Relief at the end of the debt collection exercise*

**MOTOR SUPPLIES (WESTON) LIMITED - (IN ADMINISTRATION)**
**EXPENSES STATEMENT**

Type of Expenditure	Who expense incurred by and nature of expense	Original Expense Estimate (£)	Incurred in current period (£)	Likely future expenses (£)	Revised Expenses estimate (£)
<b>Professional advisors' costs</b> The officeholders' choice of the professional advisors listed below was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.					
Agents' fees and disbursements	Gordon Brothers Europe were instructed to provide an independent professional valuation of the assets. They were instructed to also provide assistance with the marketing and sale of the Company's chattel assets, assisting with dealing with Retention of Title ("ROT") claims and the financed assets.  Gordon Brothers Europe was instructed because of its experience in providing such valuations and services in an insolvency scenario. Their fees have been agreed on a combination of fixed agreed costs and percentage of realisation basis.	4,850	4,850	-	4,850
Accountancy fees	The Directors instructed the Company's Accountants, Four Fifty Partnership Limited, to prepare a Statement of Affairs for the Company. This fee was agreed on a fixed fee basis; which was agreed with the Administrators in advance of the completion of the work.	750	750	-	750
Debt collection fees	In order to maximise realisations for creditors, Credetb Limited has been engaged in respect of assisting with the collection of the Company's debtors' ledger.  It has been agreed that Credetb Limited will receive a debt collection fee of 8% of successfully collected debts and, at present, it is anticipated that between £100,000 and £120,000 will be realised	8,800	7,701	800	8501

**MOTOR SUPPLIES (WESTON) LIMITED - (IN ADMINISTRATION)**
**EXPENSES STATEMENT**

<b>Type of Expenditure</b>	<b>Who expense incurred by and nature of expense</b>	<b>Original Expense Estimate</b>	<b>Incurred in current period</b>	<b>Likely future expenses</b>	<b>Revised Expenses estimate</b>
		<b>(£)</b>	<b>(£)</b>	<b>(£)</b>	<b>(£)</b>
	for the benefit of the Company's creditors.  Credebt was instructed because of its experienced in collecting and monitoring book debts in insolvency scenarios. Further information on the status of book debt collections is provided in Section 4 of the report.				
Legal Fees	Thrings LLP were instructed to provide advice in respect legislation surrounding the issue and acceptance of the Administrators' proposals.	-	342	-	342
<b>Other expenses</b>					
Corporation Tax	Corporation Tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.  It is currently uncertain what the quantum of the Corporation Tax charge will be.	TBC	TBC	TBC	TBC
Statutory Advertising	Costs have been paid to TMP Advertising for statutory advertising in the London Gazette in respect of the notice of the appointment.  No further advertisements are expected to be issued in the Administration	78	78	-	78
Insurance of assets	The assets of the Company are insured under the Insolvency Scheme with JLT Specialty Limited. The amount incurred in the period represents the premium for the period 25 April 2017 to 24 July 2017.	957	957	-	957

**MOTOR SUPPLIES (WESTON) LIMITED - (IN ADMINISTRATION)**
**EXPENSES STATEMENT**

<b>Type of Expenditure</b>	<b>Who expense incurred by and nature of expense</b>	<b>Original Expense Estimate</b>	<b>Incurred in current period</b>	<b>Likely future expenses</b>	<b>Revised Expenses estimate</b>
		<b>(£)</b>	<b>(£)</b>	<b>(£)</b>	<b>(£)</b>
	As all insurable assets have been sold, there is no requirement for any further insurance cover				
Bank Charges	Bank charges, cheque fees, and/or payment fees that may be applied by the bank and incurred during the case.	20	32	10	42
Mail redirection	A redirection of post was put in place in respect of the Company's trading premises for a period of 6 months at a cost of £275, paid to Royal Mail.	275	-	-	275
Mazars LLP's Pre-appointment costs	As detailed in section 9 of the report. the pre-Administration costs of Mazars LLP totalled £17,296 including disbursements of £45	17,296	17,296	-	17,296
Solicitors' costs in respect of placing the company into Administration	Thrings LLP were instructed to assist with the process of placing the Company into Administration. This included drafting all the necessary documents, holding meetings with the Company's directors, issuing correspondence to the secured creditor and filing documents in Court Included within this sum are Thrings LLP's disbursements of £74.	2,343	2,343	-	2,343
Administrators' Remuneration	Management of the Company's affairs in order to achieve the objective of the Administration. Realising and distributing the Company's assets and performing those tasks required as dictated by statute, best practice and ethical requirements.	84,165	62,500	21,665	84,165
Administrators' Disbursements	Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. Further information on disbursements is	403	294	-	294

**MOTOR SUPPLIES (WESTON) LIMITED - (IN ADMINISTRATION)**


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**EXPENSES STATEMENT**

Type of Expenditure	Who expense incurred by and nature of expense	<i>Original Expense Estimate</i>  (£)	Incurring in current period  (£)	Likely future expenses  (£)	<i>Revised Expenses estimate</i>  (£)
	<p>provided within <i>Section 11</i> of the report.</p> <p>Disbursements charged to date include:</p> <ul style="list-style-type: none"> <li>• Administrators' bond</li> <li>• Mileage</li> </ul>				
<b>Total</b>		<b>119,937</b>	<b>97,144</b>	<b>22,475</b>	<b>119,894</b>

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MOTOR SUPPLIES (WESTON) LIMITED - IN ADMINISTRATION

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**ADMINISTRATORS' ANALYSIS OF TIME COSTS  
AND COMPARISON TO FEES ESTIMATE**

The Joint Administrators' total Fees Estimate, as approved by creditors, on 10 July 2017 was £84,165 plus VAT.

As detailed in Section 10 of the report, total costs incurred to date amount to £67,610.

The following table provides details of the Administrators' actual time costs incurred in the current reporting period, from 25 April 2017 to 24 October 2017, compared to the estimated costs in accordance with the Fees Estimate.

Further information on the work undertaken in the current reporting period, including an explanation as to why the various tasks were required and whether the work provides a financial benefit to creditors, is provided within the narrative summary of the Joint Administrators' time costs at *Appendix E2*.

Creditors will note that a blended hourly charge-out rate was provided with the fees estimate. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge out rate. An hourly rate in terms of the actual costs incurred is provided by way of comparison. Details of the hourly rates of staff anticipated to work is detailed in section 10.8 of the report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

**MOTOR SUPPLIES (WESTON) LIMITED - IN ADMINISTRATION**
**ADMINISTRATORS' ANALYSIS OF TIME COSTS  
AND COMPARISON TO FEES ESTIMATE**

Description of Work	Fees Estimate Approved on 10 July 2017			Actual time costs for the period from 25 April 2017 to 24 October 2017		
	Total Costs (£)	Total Time (hours)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)
Admin & Planning	4,900	35	140	10.4	1721	165
Taxation	4,000	25	160	5.4	934	173
Investigations	4,410	21	210	19.1	3699	194
Realisation of Assets	23,980	109	220	96.4	19259	200
Employees	3,680	23	160	24.7	4,635	188
Creditors	9,600	60	160	37.6	7,643	203
Reporting	17,820	99	180	73.7	14,635	199
Distributions	4,375	25	175	-	-	-
Cashiering	3,300	22	150	18.4	2,955	161
Statutory compliance	8,100	45	180	56.5	12,129	215
<b>Totals</b>	<b>84,165</b>	<b>464</b>	<b>181</b>	<b>342.2</b>	<b>67,610</b>	<b>198</b>

**MOTOR SUPPLIES (WESTON) LIMITED - IN ADMINISTRATION****NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS  
FOR THE PERIOD 25 APRIL 2017 TO 24 OCTOBER 2017****Introduction**

The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was undertaken and whether the work provides a financial benefit to creditors.

This summary should be read together with the Joint Administrators' Time Costs Analysis at *Appendix E1* and the attached report. The costs incurred in relation to each category are set out in the attached Time Cost Analysis.

**Work carried out in the current period****Administration and planning**

The Administrators have undertaken the following work

- Case acceptance and ethical reviews.
- Completing case strategy notes.
- Holding strategy meetings.
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.

The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes help to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.

**Taxation**

The following activities were undertaken in order to ensure that the Company is compliant with tax requirements:

- Notifying HM Revenue & Customs ("HMRC") of my appointment and establishing whether it has any outstanding claims or ongoing investigations. Such enquiries will assist with my own investigations;
- Reviewing the Company's VAT position and deregistering the Company for VAT once all of the taxable assets have been sold in line with the VAT regulations;
- Reviewing the Company's Corporation Tax position and identifying any issues, potential claims, including commencing a review of a possible Terminal Loss Relief claim;
- Preparing post-appointment VAT returns, as required by statute and paying over any tax due/seeking VAT refunds.

The majority of this work derived no financial benefit for creditors, however, it is required in accordance with tax legislation.

The preparation and submission of periodic VAT returns have allowed the Administrator to reclaim VAT refunds due it.

**Investigations**

Further details of the investigations required to be carried out are provided within Section 8 of the report  
A summary of the work undertaken to date is as follows:

- Investigating the Company's affairs to include a review of the Company's books and records and, in particular, the bank statements to identify any potential transactions that were outside the ordinary course of business.



**MOTOR SUPPLIES (WESTON) LIMITED - IN ADMINISTRATION****NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS  
FOR THE PERIOD 25 APRIL 2017 TO 24 OCTOBER 2017**

- Correspondence with directors regarding the reasons for the Company's failure. Review of completed directors' questionnaires
- Review of creditor questionnaires and investigation into any matters notified.
- Reporting to the Insolvency Service on the directors' conduct.
- Investigating the position in respect of the directors' loan accounts

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure compliance with statutory duties and to seek to identify potential claims or additional assets.

**Realisation of Assets**

The work undertaken in respect of the realisation of the Company's assets is detailed in Section 3 of the progress report.

The Company's assets comprise of cash at bank, book debts, vehicles, machinery and equipment, stock, office furniture, potential VAT bad debt and Terminal loss relief claims, and sundry refunds.

Details of the work carried out in respect of the above assets is provided in Section 3 of the report.

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances.

**Employees**

The Company employed 18 employees plus the two Directors. Further information regarding employees' claims is included within Section 6 of the report. It is expected that a preferential dividend will be paid to employees and the RPS in the near future.

Work undertaken in order to ensure that employee claims have been dealt with appropriately includes:

- Writing to employees to advise them of their rights in respect of redundancy and under the ERA 1996;
- Dealing with any queries they may have had in respect of their claims and their completion of the claim forms;
- Liaising with the Redundancy Payments Service ("RPS") and submitting forms RP14 and RP14a to enable the RPS to process employee claims.

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors. However, it does help former employees recover sums due to them from the RPS. In addition it is expected that a dividend will be paid to preferential creditors and unsecured creditors and in this regard, the work involved in assessing and adjudicating employee claims and gathering together the information in respect of their claims will help us calculate and agree the preferential and unsecured claims.

**Creditors**

According to the information available from the Company's records, there are potentially approximately 65-70 creditor claims against the Company, including the claims of the former employees, finance companies, and HM Revenue & Customs. In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:

- Review of correspondence, claims, statements and completed enquiry forms;
- Responding to any queries which have arisen;

**MOTOR SUPPLIES (WESTON) LIMITED - IN ADMINISTRATION****NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS  
FOR THE PERIOD 25 APRIL 2017 TO 24 OCTOBER 2017**

- Dealing with phone call enquiries.
- Collating information from the Company records to assist with claim adjudication work.
- Investigating validity of claims received, particularly in respect of the claim detailed in section 6.3 of the report.

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors. However, as it is expected that a dividend will be paid to unsecured creditors, work undertaken in dealing with creditor claims does have a financial benefit in enabling the correct adjudication of claims

**Reporting**

Reporting requirements during the period as prescribed by statute have included the following:

- Initial notifications to all creditors of our appointment
- Preparing and issuing the Administrators' Proposals
- Reporting the outcome of meeting of creditors.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements, and that creditors are updated in respect of the progress of the Administration.

**Cashiering**

Cashiering work undertaken includes.

- Establishing set up of case details on our insolvency software system.
- Setting up bank accounts, including deposit accounts as necessary.
- Bank account maintenance, including periodic reconciliations.
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body and to ensure that all transactions are fully accounted for.

**Statutory and Compliance**

The work undertaken as required by statute and our internal procedures involves:

- Preparation and lodgement of statutory appointment documents
- Initial notices and advertisements following appointment.
- Case monitoring and statutory compliance, including internal case reviews and regular case diary reviews.
- Case bordereau (bonding).

The majority of this work derived no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

# AM10

## Notice of administrator's progress report



### 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	Irfan Asfak
Company name	Mazars LLP
Address	Mazars LLP
	90 Victoria Street
Post town	Bristol
County/Region	
Postcode	B S 1 6 D P
Country	
DX	
Telephone	0117 928 1700



### 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](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)