

The Insolvency Act 1986

Administrator's progress report

Name of Company <u>Commercial Motors (South West) Limited</u>	Company number <u>047 29427</u>
In the <u>Royal Courts of Justice, Bristol District</u> <u>Registry, Chancery Division</u> [full name of court]	Court case number <u>10184 of 2004</u>

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

I/We (a) Nigel Morrison and Alistair Lendell of Grant Thornton UK LLP, Hartwell House, 55-61 Victoria St, Bristol BS1 6FT and 11-13 Parkhill Road Cardiff, CF11 9NP respectively

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

(b) Insert dates

from

to

(b) 6 February 2011(b) 4 August 2011

Signed

N. Morrison

Joint Administrator(s)

Dated

8/8/11**Contact Details:**

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

<u>DAVID HOLLAND</u>	
<u>GRANT THORNTON UK LLP</u>	
	Tel <u>01730 87673</u>
DX Number	DX Exchange

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Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff



Grant Thornton

Our Ref NZM/AGW/DEH/C30203957/7
Your Ref No 10189 of 2009

To the Creditors

Recovery and Reorganisation

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5 August 2011

Dear Sir or Madam

Commercial Motors (South West) Limited - In Administration (the Company)
In the Royal Courts of Justice, Bristol District Registry, Chancery Division
Case number 10189 of 2009

1 Introduction

- 1.1 Following the appointment of my partner, Alistair Wardell, and myself as joint administrators of the Company by the directors on 6 February 2009, I enclose my progress report together with a receipts and payments account attached at Appendix A for the period 6 February 2011 to 4 August 2011. Following an application to court the period of the administration has been extended until 4 February 2012.
- 1.2 In accordance with paragraph 100 (2) of Schedule B1 to the Insolvency Act 1986 the functions of the administrators are to be exercised by any or all of them.
- 1.3 This report should be read in conjunction with my statement of proposals dated 26 July 2010.

2 Statutory information

- 2.1 The Company's statutory details are as follows

Registered number 04729427

Registered office c/o Grant Thornton UK LLP
Hartwell House
55-61 Victoria Street
Bristol
BS1 6FT

Chartered Accountants
Member firm within Grant Thornton International Ltd
Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No OC307742. Registered office: Grant Thornton House, Molton Street, Euston Square, London NW1 2EP.
A list of members is available from our registered office.

Grant Thornton UK LLP is authorized and regulated by the Financial Services Authority for investment business.

A list of personnel permitted by Grant Thornton to accept appointments as insolvency practitioners and of their respective authorising bodies may be inspected at the above address.

Former trading address

Kings Weston Lane
St Andrews Road
Avonmouth
BS11 9BY

Also premises at Bristol, Chilcompton,
Exeter, Plymouth, St Austell and Yeovil

3 Progress report

- 3 1 There have been no additional realisations since my report dated 1 March 2010, other than the trade debtor receipts noted below

Trade debtors

- 3 2 HSBC Invoice Finance (UK) Ltd has been paid in full and balance of books debts was reassigned to the Company along with a balance of £11,536. Following a review there was an outstanding balance of circa £600,000 on the debtor ledger. Due to the number and age of outstanding debts, I instructed Clarke Willmott LLP to collect the outstanding book debts on a commission basis.
- 3 3 A further £2,018 was recovered in the period. Due to both the disputes and age of the debts the final amount of book debts collected amounted to £49,091.
- 3 4 No further realisations are expected and book debt collections have now ceased.

Leasehold properties

- 3 5 Further to my previous report I advised that there was no value in the Company's leasehold properties. These have all either been surrendered or forfeited to the landlord or were assigned.

Inter-company Debts

- 3 6 Following a further review of the inter-company debts with the assistance of the joint liquidators of Commercial Motors (Newport) Ltd (CMN) the amount owed by this company has increased, from the £17k previously reported, to £832,415. This increase along with other claim reductions against CMN has now substantially increased the potential dividend the Company will receive. The anticipated first and final dividend is expected to be between 3p and 6p in the £ and should be paid within the next 4-6 weeks. The administration was due to expire on 5 August 2011, the increased value of the potential dividend at £24-48k meant that it was beneficial for the preferential creditors to apply to court for the six month extension to the administration.
- 3 7 As previously advised, the sum of £482,503 was owed by Commercial Motors Ltd, this company acted as a property holding company for the group. I was advised that there was no equity in the properties it was not cost effective to pursue this debt any further.

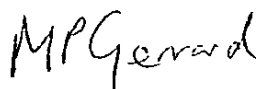
5 Administrators' remuneration and disbursements


- 5.1 In accordance with R 2.106 of the Insolvency Act 1986, as no dividend was available to the unsecured creditors in this matter, I sought approval of my fees from all secured creditors and any preferential creditor whose claim exceeds 50 percent of total preferential claims. I obtained such approval from the Bank and the Insolvency Service and have drawn £199,854 in time costs to date.
- 5.2 Time costs to date amount to £380,182, representing 1,513 hours at an average cost of £251 per hour. Disbursements totalling £3,397 have been drawn in the period as detailed in Appendix C.

Attached at Appendix B is a summary of the time cost prepared in accordance with the Standard Insolvency Practice 9. Background information regarding the fees of Administrators can be found at <http://www.insolvency-practitioners.org.uk> (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees').

If you should have any queries please contact David Holland on 0117 305 7673.

Yours faithfully
for and on behalf of Commercial Motors (South West) Limited



 Nigel Morrison
Joint Administrator

The business, property and affairs of Commercial Motors (South West) Limited are being dealt with by Nigel Morrison and Alistair Wardell, appointed as joint administrators on 6 February 2009.

Commercial Motors (South West) Ltd
(In Administration)

Appendix A

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 06/02/2009 To 06/02/2011 (£)	From 07/02/2011 To 04/08/2011 (£)	Total (£)
Plant & Machinery	35,138 00	35,138 19	0 00	35,138 19
Goodwill	75,000 00	75,000 00	0 00	75,000 00
Plant & Machinery	126,662 00	130,861 81	0 00	130,861 81
Motor Vehicles	138,200 00	138,000 00	0 00	138,000 00
Stock	0 00	25,718 63	0 00	25,718 63
Book Debts	1,222,168 00	47,073 35	2,018 05	49,091 40
Intercompany debts	510,000 00	0 00	0 00	0 00
Misc Float Receipts		5,598 04	0 00	5,598 04
Bank/ISA InterestGross		156 12	0 00	156 12
Misc Refunds		21,180 75	0 00	21,180 75
Rates Refund		1,610 04	0 00	1,610 04
	<u>2,107,168 00</u>	<u>480,336 93</u>	<u>2,018 05</u>	<u>482,354 98</u>
PAYMENTS				
Rents		2,434 35	0 00	2,434 35
Rent (Admin)		1,054 79	0 00	1,054 79
PAYE/NI		14,031 86	0 00	14,031 86
Net Wages		27,184 12	0 00	27,184 12
Other Payroll Deductions		749 74	0 00	749 74
Administrators Fees		7,000 00	0 00	7,000 00
Legal Fees		3,000 00	0 00	3,000 00
Chargeholder (1) HSBC		100,138 19	0 00	100,138 19
VAT Refund		316 44	0 00	316 44
Preparation of S of A		750 00	0 00	750 00
Administrators Fees		146,048 00	53,806 00	199,854 00
Administrators Expenses		0 00	3,396 82	3,396 82
Agents/Valuers Fees (1)		23,206 56	0 00	23,206 56
Quantity Surveyors Fees		159 00	0 00	159 00
Legal Fees (1)		43,843 00	0 00	43,843 00
Professional Fees		644 02	0 00	644 02
Debt Collection		3,973 89	339 27	4,313 16
Telephone Telex & Fax		437 92	0 00	437 92
Stationery & Postage		836 57	0 00	836 57
Storage Costs		146 92	0 00	146 92
Statutory Advertising		223 09	0 00	223 09
Rents Payable		2,643 35	0 00	2,643 35
Other Property Expenses		468 15	0 00	468 15
Insurance of Assets		6,083 99	0 00	6,083 99
Bank Charges		575 52	72 04	647 56
		<u>385,949 47</u>	<u>57,614 13</u>	<u>443,563 60</u>
Net Receipts/(Payments)		<u><u>94,387 46</u></u>	<u><u>-55,596 08</u></u>	<u><u>38,791 38</u></u>
MADE UP AS FOLLOWS				
Vat Receivable		32,482 79	-32,482 79	0 00
Floating Current Account		93,616 22	-67,104 49	26,511 73
Vat Payable		-27,254 35	27,254 35	0 00
Vat Control Account		-4,457 20	16,736 85	12,279 65
		<u>94,387 46</u>	<u>-55,596 08</u>	<u>38,791 38</u>

Commercial Motors South West Ltd- C30203950 - SIP 9 TIME COST ANALYSIS

Job(s) Administration, CPU - Administration

Transaction period All transactions

Appendix B

Detailed	Partner			Manager			Executive			Administrator			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning (Incl statutory reporting)	19 15	7,536 25	393 54	194 00	58,786 70	303 02	206 05	39,120 40	189 86	104 52	16,249 50	155 47	523 72	121,692 85	232 36
Chargeholders (Incl bank reporting)	2 50	992 50	397 00	77 65	26,042 75	335 39	43 20	8,384 00	194 07	21 90	3,653 50	166 83	145 25	39,072 75	269 00
Hiatus period													00	00	
Investigations and reports on directors' Legal				42 40	11,973 50	282 39	5 70	1,057 00	185 44	25	31 25	125 00	48 35	13,061 75	270 15
Preferential creditors				12 00	3,675 00	306 25	2 00	410 50	205 25	8 30	1,253 00	150 96	22 30	5,338 50	239 39
Realisation of Assets, Debtors				24 15	8,839 00	366 00	60 30	11,366 75	188 50	9 50	1,152 50	121 32	93 95	21,358 25	227 34
Realisation of Assets: Other	20	85 00	425 00	55 64	18,239 00	327 80	32 70	6,537 75	199 93				88 54	24,861 75	280 80
Realisation of Assets: Property plant vehicles etc (Incl HP leasing and third party)				86 15	26,681 25	309 71	15	30 75	205 00				86 30	26,712 00	309 52
Realisation of Assets: Stock and WIP (Incl Sale of business)				83 50	24,899 00	298 19	62 45	12,030 25	192 64	10 90	1,774 50	162 80	156 85	38,703 75	246 76
Trading	9 00	3,510 00	390 00	18 00	5,630 00	312 78	84 55	15,651 75	185 12	90	168 50	187 22	103 45	21,450 25	207 35
Unsecured creditors	30	127 50	425 00	141 33	44,218 00	312 87	13 15	2,476 25	188 31				163 48	50,204 25	307 10
Total	31 15	12,251 25	393 30	756 87	235,806 20	311 55	558 75	106,355 15	190 34	166 42	25,769 50	154 85	1,513 19	380,182 10	251 25

Total fees billed to date (Time) - £ 199,854

APPENDIX C

INTRODUCTION

The following information is provided in connection with the Administrators' remuneration and disbursements in accordance with SIP 9

AN OVERVIEW OF THE CASE

Further details on matters undertaken are specified in the attached annual report

These have primarily involved dealing with the realisation of assets, complying with statutory reporting requirements, and dealing with creditors queries

EXPLANATION OF GRANT THORNTON CHARGING AND DISBURSEMENT RECOVERY POLICIES

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown in the schedule below

Grade	06-Feb-09 to 30-June-09	1-July-09 to 30-June-10	1-July-10 to 30-June-10	1-July-10 to Date
Partner	480	510	535	560
Manager	260 to 365	275 to 385	285 to 405	300 to 425
Senior Staff	215 to 235	230 to 250	240 to 260	210 to 300
Administrators	140 to 180	140 to 190	145 to 195	145 to 205

Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it

Disbursements

Out of pocket expenses are charged at cost Mileage is charged at standard rates which comply with Inland Revenue limits or AA recommended rates

Expense Type	£
Travel and Subsistence	1,434 62
Printing and Postage (external)	571 90
Storage costs and couriers	1,126 30
Insolvency Bonding	264 00
Total	3,396.82

No expenses have been drawn yet