

The Insolvency Act 1986

Administrator's progress report

Name of Company
Commercial Motors (South West) Ltd

Company number
04729427

In the Royal Court of Justice <small>(full name of court)</small>

Court case number
10189 of 2009

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

We (a)
Nigel Morrison
Grant Thornton UK LLP
Hartwell House
55-61 Victoria Street
Bristol
BS1 6FT

Alistair Wardell
Grant Thornton UK LLP
Penhill House
11-13 Penhill Road
Cardiff
CF11 9UP

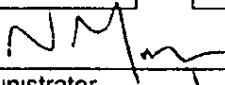
Joint administrators of the above company attach a progress report for the period

(b) Insert date

From
(b) 5 August 2012

To
(b) 21 January 2013

Signed


Joint Administrator

Dated

21/1/13

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

Nigel Morrison
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55-61 Victoria Street
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BS1 6FT

DX Number

0117 305 7600
DX Exchange

THURSDAY



QIQ 24/01/2013 #87
COMPANIES HOUSE

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff



Grant Thornton

Our Ref NZM/ZLC/KLM/MMM/C03957/
Your Ref

To the creditors

22 January 2013

Dear Sirs

Recovery and Reorganisation

Grant Thornton UK LLP
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Spinningfields
Manchester M3 3EB

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Commercial Motors (South West) Ltd - In Administration Royal Court of Justice Case Number 10189 of 2009

1 Introduction

1.1 Following my appointment as joint administrator of the above company with Alistair Wardell on 6 February 2009, I am now in a position to conclude the administration. This is my final progress report, including

- Appendix A, an account of our receipts and payments for the period ended 21 January 2013 in accordance with Rule 2.47 of the Insolvency Rules 1986
- Appendix B, a statement of the remuneration charged by the joint administrators in the period 5 August 2012 to 21 January 2013 and a statement of expenses incurred in the period
- Appendix C, an analysis of our time costs as required by Statement of Insolvency Practice 9
- Appendix D, an extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator (Rule 2.48A)
- Appendix E, an extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration and expenses, if excessive (Rule 2.109)

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

2 Statutory information

2.1 The company's statutory details are as follows

Registered number 04729427

Registered office 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, Melton Street, Euston Square, London NW1 2EP. A list of members is available from our registered office.

Grant Thornton UK LLP is authorised 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.

3 Receipts and payments account

- 3 1 I attach our receipts and payments account at Appendix A. You will note that no amounts have been paid to the unsecured creditors by virtue of the application of section 176A of the Insolvency Act 1986 (prescribed part).

4 Report and outcome of administration

Assets

Inter-company debts

- 4 1 The Company is owed £832,415 by Commercial Motors (Newport) Limited (CMN). As previously advised, CMN is in liquidation.
- 4 2 A first and final dividend of £30,349 has been received in respect of the above representing 4p in the £.
- 4 3 There are no further assets to realise.

Liabilities

Secured Creditors

- 4 4 As previously advised, HSBC Asset Finance UK Limited, HSBC Equipment Finance UK Limited and HSBC Invoice Finance (UK) Limited have all been paid in full.
- 4 5 HSBC Bank Plc (the Bank) holds a fixed and floating charge dated 31 July 2012. Distributions totalling £65,000 have been made to the Bank against a total debt of £1,176,000.

Preferential Creditors

- 4 6 Preferential claims from the Redundancy Payments Service (RPS) have been agreed at £80,467. The Bank has a surrogated wage claim which has been agreed at £83,249. There are also claims totalling £13,260 from the former employees in respect of excess wages and holiday pay.
- 4 7 A first and final dividend of 35p in the £ has been distributed to the preferential creditors.

Unsecured Creditors

- 4 8 There are insufficient funds to enable a distribution to this class of creditor.

5 Joint administrators' remuneration and expenses

- 5 1 In accordance with Rule 2.106 to the Insolvency Act 1986, as no dividend is available to the unsecured creditors, our fees for acting as joint administrators have been fixed by reference to our time costs by the secured and preferential creditors.
- 5 2 You will note from the SIP 9 table attached at Appendix C that our time costs to date are £387,695 and from the receipts and payments account attached at Appendix A that we have drawn £199,854. In addition, we have drawn expenses of £3,397 as indicated in Appendix A.
- 5 3 No further fees and expenses are to be drawn.

- 5.4 Background information regarding the fees of administrators can be found at www.insolvency-practitioners.org.uk (navigate via 'Regulation and Guidance' to 'Creditors Guides to Fees'). Alternatively, we will supply this information by post on request. Time is charged in units of 6 minutes.

6 Other expenses incurred by the joint administrators

- 6.1 Details of additional expenses incurred by the joint administrators in the reporting period are detailed in Appendix B.
- 6.2 Storage costs of £1,680 have been incurred and paid to P A Miller.

7 Closure

- 7.1 The Bank and RPS have confirmed its agreement to granting the joint administrators discharge from liability in accordance with Paragraph 98 of Schedule B1 to the Insolvency Act 1986 with effect from 14 days after the final progress report is sent to creditors.
- 7.2 I enclose Form 2.35B – Notice of move from administration to dissolution which has also been sent to the Registrar of Companies.
- 7.3 Upon registration of the form, my appointment and that of the joint administrator, shall cease to have effect.

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



Nigel Morrison
Joint Administrator

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

Enc

Commercial Motors (South West) Ltd - in
administration

Summary of receipts and payments

from 6 February 2009 to 21 January 2013

		From 06/02/2009	From 06/08/2012	
	Statement of Affairs	to 05/08/2012	to 21/01/2013	Total
	£	£	£	£
Receipts				
Plant & Machinery	126,662 00	35,138 19	0 00	35,138 19
Goodwill	75,000 00	75,000 00	0 00	75,000 00
Plant & Machinery		130,861 81	0 00	130,861 81
Motor Vehicles	138,000 00	138,000 00	0 00	138,000 00
Stock		25,718 63	0 00	25,718 63
Book Debts	1,222,168 00	50,262 85	30,349 10	80,611 95
Misc Float Receipts		5,598 04	0 00	5,598 04
Bank/ISA InterestGross		173 18	26 73	199 91
Misc Refunds		22,411 06	595 50	23,006 56
Rates Refund		1,610 04	0 00	1,610 04
Vat Payable		27,254 35	0 00	27,254 35
Vat Control Account		16,736 85	1,528 00	18,264 85
		<u>528,765 00</u>	<u>32,499.33</u>	<u>561,264.33</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		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		199,854 00	0 00	199,854 00

Administrators Expenses	3,396 82	0 00	3,396 82
VAT irrecoverable	0 00	336 00	336 00
Agents/Valuers Fees (1)	23,206 56	0 00	23,206 56
Quantity Surveyors Fees	159 00	0 00	159 00
Legal Fees (1)	51,623 00	0 00	51,623 00
Professional Fees	644 02	0 00	644 02
Debt Collection	4,313 16	0 00	4,313 16
Telephone Telex & Fax	437 92	0 00	437 92
Stationery & Postage	836 57	0 00	836 57
Storage Costs	146 92	1,680 00	1,826 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	725 93	102 2	828 13
Preferential Creditors (All)	0 00	62,521 40	62,521 40
Vat Receivable	45,202 76	0 00	45,202 76
	<u>496,624 73</u>	<u>64,589 60</u>	<u>561,264 33</u>
Net Receipts/(Payments)	<u>32,140.27</u>	<u>-32,140.27</u>	<u>0</u>

A Abstract of the administrators' receipts and payments

Introduction

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

Explanation of Grant Thornton UK LLP charging and disbursement recovery policies

Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown on the attached schedule. 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.

	From 01/07/09	From 01/07/10	From 01/07/11	From 01/07/12
	£	£	£	£
Partners up to	510	535	560	580
Managers up to	385	405	425	440
Administrators up to	275	285	300	310
Assistants and support staff up to	190	195	205	210

Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates. VAT is added to disbursement charges as necessary.

B Remuneration charged and expenses incurred by the administrators in the period

	Paid to 5 August 2012	Paid in period of report	Charged/ accrued in period but not yet paid	Total
	£	£	£	£
Joint administrators' fees				
Time costs	206,854			206,854
Expenses	3,397	-	-	3,397
Professional fees				
Goodman Nash	644	-	-	644
Legal fees				
Osborne Clarke	54,623	-	-	54,623
Agent/valuers				
Edward Symmons	17,705	-	-	17,705
Insurance				
JLT	6,084	-	-	6,084
Storage Costs				
P A Miller	147	1,680	-	1,827
	<u>289,454</u>	<u>1,680</u>	<u>-</u>	<u>291,134</u>

C SIP 9 information

Introduction

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Project Clifton - C30203950 - SIP 9 TIME COST ANALYSIS

Job(s) Administration, CPU - Administration

Transaction period All transactions

Export version

Detailed Version

Standard	Partner		Manager		Executive		Administrator		Total		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Avg Hrs/Rate
Administration and Planning	19 40	7,647 50	211 37	64,270 45	216 23	41,612 80	125 32	19,333 00	572 32	132,863 75	232 15
Creditors	2 80	1,120 00	124 10	41,793 75	156 60	30,487 75	44 95	6,810 25	328 45	80,211 75	244 21
Hiatus period											
Investigations			42 40	11,973 50	5 70	1,057 00	25	31 25	48 35	13,061 75	270 15
Realisation of Assets	13 20	4,535 00	378 90	118,149 75	193 00	36,726 75	11 80	1,943 00	596 90	161,354 50	270 32
Trading					75	153 75	40	50 00	1 15	203 75	177 17
Total	35 40	13,302.50	756.77	236,187 45	572.28	110,038 05	182.72	28,167 50	1,547.17	387,695.50	250.58

Total fees billed to date (Time) : £ 206,854

D An extract from the Insolvency Rules 1986 relating to creditors' rights to request additional information from the administrator

Rule 2 48A

- (1) If
 - (a) within 21 days of receipt of a progress report under Rule 2 47 -
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
 - (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)
- (2) The administrator complies with this paragraph by either -
 - (a) providing all of the information asked for, or
 - (b) so far as the administrator considers that
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,
 giving reasons for not providing all of the information
- (3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of -
 - (a) the giving by the administrator of reasons for not providing all of the information asked for, or
 - (b) the expiry of the 14 days provided for in paragraph (1),
 and the court may make such order as it thinks just
- (4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

E An extract from the Insolvency Rules 1986 relating to creditors' rights to challenge the administrator's remuneration or expenses if excessive

Rule 2 109

- (1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)
- (1A) Application may be made on the grounds that -
 - (a) the remuneration charged by the administrator,
 - (b) the basis fixed for the administrator's remuneration under Rule 2 106, or
 - (c) expenses incurred by the administrator,
 is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate
- (1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")
- (2) The court may, if it thinks that no cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly
- (3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it
- (4) If the court considers the application to be well-founded, it must make one or more of the following orders -
 - (a) an order reducing the amount of remuneration which the administrator was entitled to charge
 - (b) an order fixing the basis of remuneration at a reduced rate or amount
 - (c) an order changing the basis of remuneration
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration
 - (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify
 and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report
- (5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration