

The Insolvency Act 1986

Administrator's progress report

Name of Company
Commercial Motors (South West) Limited

Company number
04729427

In the Royal Courts of Justice, Bristol District Registry
Chancery Division

Court case number
10189 of 2009

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

I/ We (a) Nigel Morrison of Grant Thornton UK LLP, Hartwell House, 55-61 Victoria Street, Bristol, BS1 6FT and Alistair Wardell of Grant Thornton UK LLP, 11-13 Penhill Road, Cardiff, CF11 9UP administrators of the above company attach a progress report for the period

(b) Insert dates

from

to

(b) 6 August 2009

(b) 5 February 2010

Signed

Nigel Morrison
Joint / Administrator(s)

Dated

3/3/10

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.

Grant Thornton UK LLP

Hartwell House, 55-61 Victoria Street, Bristol, BS1 6FT

Tel 0117 305 7600

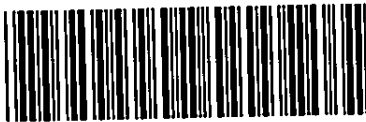
DX Number

DX Exchange

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



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COMPANIES HOUSE

FRIDAY

Our Ref MJW/ABF/NXM/C30203957/7

To the Creditors

Recovery and Reorganisation

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1 March 2010

Dear Sirs

**Commercial Motors (South West) Limited - In Administration
(CMSW or 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 now report on the progress of the administration to date
- 1.2 I enclose Form 2.24B together with an account of my receipts and payments for the six months ended 5 February 2010 at Appendix A in accordance with Rule 2.47 of the Insolvency Rules 1986
- 1.3 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 c/o Grant Thornton UK LLP
Hartwell House
55-61 Victoria Street
Bristol
BS1 6FT

A49

05/03/2010
COMPANIES HOUSE

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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

Former trading address

Commercial Motors (South West) Ltd
Kings Weston Lane
St Andrews Road
Avonmouth
Bristol
BS11 9BY

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

3 Progress report

Sale of business

- 3 1 As advised in my report dated 18 August 2009, the goodwill, plant and machinery, office furniture and vehicles were sold to City West Commercials Limited (CWC) on 5 March 2009 for £375,000

Leasehold properties

- 3 2 My agents advised me that there was no value in the Company's leasehold properties and the leases have either been surrendered or forfeited to the landlords or are being assigned
- 3 3 Rent of £4,909 held for the landlord of the Exeter property at the date of my previous report has now been paid to the landlord

Plant, machinery and office equipment

- 3 4 Since my report dated 18 August 2009, I have received a further £3,000 in respect of the sale of a vehicle body part I do not anticipate any future realisations of plant and machinery

Motor vehicles

- 3 5 As detailed in my previous report, I sold the Company's vehicle stock to CWC for £138,200

Stock

- 3 6 As previously reported, Mercedes Benz UK Limited (Mercedes Benz) repossessed its parts supplied but not paid for under its retention of title clause and the remaining non-Mercedes Benz stock was sold for a total consideration of £25,719

Refunds

- 3 7 To date, I have received various refunds totalling £21,180

Trade debtors

- 3 8 HSBC Invoice Finance (UK) Limited (HIF) has been repaid in full from debtor collections
- 3 9 HIF reassigned the remaining debtor ledger to the Company on 19 February 2010, together with a cheque for a credit balance of £11,065 (not shown on the receipts and payments accounts as the receipt is outside of the reporting period) I am currently assessing the ledger to identify whether any amounts will be collectable and to consider the most effective way in which to collect the remaining debts

Other assets

- 3 10 It is not anticipated that there will be any further realisations, other than as detailed above

Receipts and payments account

- 3 11 A receipts and payments account for the period 6 August 2009 to 5 February 2010 is attached at Appendix A, together with a receipts and payments account from the date of my appointment to 5 February 2010, attached at Appendix B

4 Liabilities and outcome for creditors

Secured creditors

- 4 1 I have distributed £65,000 to HSBC Bank Plc (the Bank) against a debt of £1,176,000, giving rise to a deficit of circa £1,111,000. The Bank holds a fixed and floating charge debenture dated 31 July 2003
- 4 2 As advised previously, HSBC Asset Finance UK Limited and HSBC Equipment Finance UK Limited have been repaid in full under their chattels mortgage dated 15 November 2004
- 4 3 HIF has been repaid in full under its fixed charge debenture over the Company's debts dated 13 August 2003

Preferential creditors

- 4 4 I have received a revised preferential claim from the Insolvency Service for £80,467. I have not at this stage calculated the Bank's subrogated wages claim
- 4 5 The level of any distribution to the preferential creditors will depend on future realisations from the outstanding book debts

Unsecured creditors

- 4 6 Based on current information, I estimate that there will be insufficient realisations to pay a dividend to unsecured creditors

5 Extension to the administration

- 5 1 An extension of the administration to 5 August 2010 was obtained with the consent of the Bank and the Department for Business, Innovation and Skills
- 5 2 The purpose of the extension is to collect out the Company's remaining book debt ledger

6 Administrators' remuneration and disbursements

- 6 1 In accordance with R 2 106 of the Insolvency Act 1986, as I do not anticipate a dividend will be paid to unsecured creditors in this matter, I must seek approval of my fees from all secured creditors and any preferential creditor whose claim exceeds 50 percent of total preferential claims. I have obtained such approval from the Bank and the Insolvency Service and have drawn £153,048 in time costs to date

- 6.2 Time costs to 5 February 2010 amounted to £306,604, representing 1,242 hours at an average of £247 per hour. There are outstanding disbursements totalling £2,792.

If you should have any queries please contact Matthew Whitchurch on 0117 305 7752

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

A handwritten signature in black ink, appearing to read 'Nigel Morrison', followed by a long horizontal flourish.

Nigel Morrison
Joint Administrator

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

Commercial Motors (South West) Limited - In Administration**Appendix A****Receipts and payments account from 6 August 2009 to 5 February 2010**

	Fixed Charge	Floating Charge	Total
RECEIPTS	£	£	£
Plant & Machinery	-	-	-
Goodwill	-	-	-
Bank Interest	5 75	-	5 75
Plant & Machinery	-	3,000 00	3,000 00
Motor Vehicles	-	-	-
Stock	-	18,000 00	18,000 00
Book Debts	-	1,303 59	1,303 59
Misc Float Receipts	-	856 28	856 28
Bank Interest (Gross)	-	78 66	78 66
Misc Refunds	-	586 37	586 37
Vat Payable	-	7,607 20	7,607 20
	<u>5 75</u>	<u>31,432 10</u>	<u>31,437 85</u>
PAYMENTS			
Rents	-	7,025 55	7,025 55
Wages and PAYE/NI	-	-	-
Administrators Fees	7,000 00	146,048 00	153,048 00
Legal Fees	3,000 00	(2,475 00)	525 00
Bank Charges	63 90	131 88	195 78
Distribution to HAF	-	-	-
Distribution to HSBC Bank	65,000 00	-	65,000 00
Preparation of S of A	-	-	-
Agents/Valuers Fees	-	572 96	572 96
Telephone Telex & Fax	-	-	-
Storage Costs	-	-	-
Statutory Advertising	-	-	-
Insurance of Assets	-	6,083 99	6,083 99
Vat Receivable	1,500 00	22,675 72	24,175 72
	<u>76,563 90</u>	<u>180,063 10</u>	<u>256,627.00</u>
Balances in Hand	<u>(76,558 15)</u>	<u>(148,631 00)</u>	<u>(225,189.15)</u>

Commercial Motors (South West) Limited - In Administration

Appendix B

Receipts and payments account from 6 February 2009 to 5 February 2010

	Fixed Charge	Floating Charge	Total
	£	£	£
RECEIPTS			
Plant & Machinery	35,138 19	130,861 81	166,000 00
Goodwill	75,000 00	-	75,000 00
Bank Interest	11 50	144 62	156 12
Motor Vehicles	-	138,000 00	138,000 00
Stock	-	25,718 63	25,718 63
Book Debts	-	1,737 49	1,737 49
Misc Receipts	-	5,598 04	5,598 04
Misc Refunds	-	21,180 75	21,180 75
Vat Payable	-	31,711 55	31,711 55
Temporary transfer from floating account	1,763 37	-	1,763 37
	<u>111,913 06</u>	<u>354,952.89</u>	<u>466,865.95</u>
PAYMENTS			
Rents and property expenses	-	6,283 12	6,283 12
Net wages and PAYE/NI	-	41,965 72	41,965 72
Administrators Fees	7,000 00	146,048 00	153,048 00
Legal Fees	3,000 00	38,983 00	41,983 00
Bank Charges	274 87	194 22	469 09
Distribution to HAF	35,138 19	-	35,138 19
Distribution to HSBC Bank	65,000 00	-	65,000 00
Preparation of S of A	-	750 00	750 00
Agents/Valuers Fees	-	18,436 96	18,436 96
Telephone, stationary, postage	-	1,274 49	1,274 49
Storage Costs	-	146 92	146 92
Statutory Advertising	-	223 09	223 09
Insurance of Assets	-	6,083 99	6,083 99
Vat Receivable	1,500 00	54,387 27	55,887 27
Temporary transfer to fixed account	-	1,763 37	1,763 37
	<u>111,913 06</u>	<u>316,540 15</u>	<u>428,453.21</u>
Balances in Hand	<u>-</u>	<u>38,412 74</u>	<u>38,412.74</u>