In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

TUESDAY

A71MPBI8
A22 13/03/2018 #209
COMPANIES HOUSE

1 Company details

Company number	0 4 9 1 3 2 2 2
Company name in full	Excel Automotive Group Limited

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

2 Administrator's name

Full forename(s)	Philip Edward
Surname	Pierce

3 Administrator's address

Building name/number	Minerva
Street	29 East Parade
Post town	Leeds
County/Region	Yorkshire
Postcode	L S 1 5 P S
Country	

4 Administrator's name ❶

Full forename(s)	Paul Andrew
Surname	Whitwam

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	Minerva
Street	29 East Parade
Post town	Leeds
County/Region	Yorkshire
Postcode	L S 1 5 P S
Country	

❷ **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	d1 d7 m0 m8 y2 y0 y1 y7
To date	d1 d6 m0 m2 y2 y0 y1 y8

7 Progress report

☐ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X X
Signature date	d1 d2 m0 m3 y2 y0 y1 y8

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	Caraline Bytheway
Company name	FRP Advisory LLP
Address	Minerva
	29 East Parade
Post town	Leeds
County/Region	Yorkshire
Postcode	L S 1 5 P S
Country	
DX	
Telephone	0113 831 3555

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

FRP
Advisory

Excel Automotive Group Limited (IN ADMINISTRATION) ("THE COMPANY")

Leeds County Court NO. 725 OF 2017

The Administrator's Progress Report for the period 17 August 2017 – 16 February 2018 pursuant to Rule 18.3 of the Insolvency (England and Wales) Rules 2016

12 March 2018

Contents and abbreviations

The following abbreviations may be used in this report:

FRP	FRP Advisory LLP
The Company	Excel Automotive Group Limited (In Administration)
The Administrators	Philip Edward Pierce and Paul Andrew Whitwam of FRP Advisory LLP
The Period	The reporting period 17 August 2017 – 16 February 2018
ABN	ABN Amro Commercial Finance plc
CVL	Creditors' Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs
Purchaser	Universal Components UK Limited
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2016

1. Progress of the Administration

I refer to my appointment as Administrator of the above Company on 17 August 2017 and the Administrators' Proposals circulated on 23 August 2017. I now write to provide you with an update on the progress of the Administration

Work undertaken during the period

I attach at **Appendix C** a schedule of work undertaken during the period together with a summary of work still to be completed.

Attached at **Appendix E** is a Receipts and Payments account detailing transactions for the Period since my appointment as Administrator.

Assets realisations to date

Details of the sale of the business and assets were set out in the Administrators' Proposals.

Tax refund

We submitted a return to HMRC in relation to terminal loss relief and have received the sum of £42,263 on 27 December 2017.

Other realisations

In the Period, we have also realised the following assets:

- Rates refund - £1,030
- Insurance refund - £491
- Cash at Bank - £330
- Bank interest - £74

Assets still to be realised

The Company provided its landlord with a rent deposit of approximately £17,000 and we are in discussions with the landlord's agent as to whether some or all of this is repayable to the Company.

Investigations

Part of my duties include carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. I have reviewed the Company's books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they have regarding the way in which the Company's business has been conducted.

Further details of the conduct of my investigations are set out in the schedule of work attached. I can confirm that no further investigations or actions were required.

Extension to the initial period of appointment

We will be seeking an extension to the Administration for a 12 month period from 17 August 2018 to 16 August 2019 in order for the Administrators to agree and pay the Prescribed Part dividend to unsecured creditors. Consent is obtained in the first instance by a decision from the relevant body of creditors (in this case, ABN) obtained by deemed consent. If more than the appropriate number of creditors object to the deemed consent, consent will have to be sought by correspondence.

Anticipated exit strategy

We expect that, subject to the extension of the administration being approved, the Administration will be exited by way of filing the requisite notice with the Registrar of Companies to move the Company to dissolution.

2. Estimated Outcome for the creditors

The estimated outcome for creditors was set out in the Administrators' proposals.

Outcome for the secured creditors

At the date of Administration, ABN was owed £425k. The collection of the Company's debtors' ledger is largely complete and ABN is currently owed approximately £43k.

Outcome for the preferential creditors

The Company's business and assets were sold as a going concern; as such the Company's employees transferred to the Purchaser on completion under TUPE and we currently do not expect there to be any preferential creditors in this case.

Outcome for the unsecured creditors

It is currently estimated that there will insufficient funds available to make a distribution to unsecured creditors other than via the Prescribed Part.

Prescribed Part

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000 and the cost of making a distribution to unsecured creditors would not be disproportionate to the benefits.

We estimate at this stage that there may be a small Prescribed Part in this case of £9,000.

The Administrators would request that all creditors who have not submitted a proof of debt do so as soon as possible.

3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

Administrators' remuneration

In the Administrators' Proposals, it was proposed that the Administrators' remuneration be drawn from the Company's assets and it was proposed that it be charged as a set amount. The basis of the Administrators' remuneration has not yet been approved by creditors (which in this case will be ABN) and the Administrators have accordingly not drawn any remuneration in this case.

However, in relation to assets specifically pledged, the Administrators have agreed a fee of £5,000 plus VAT with ABN in relation to work done to assist with the collection of the debtors' ledger.

Should the Company subsequently be placed into liquidation and the Administrators appointed as Liquidators, the basis agreed for the drawing of the Administrators' remuneration will also be that utilised in determining the basis of the Liquidators' remuneration, in accordance with the Insolvency Rules.

The Administrators now propose that their remuneration be set as a combination of a set amount and a percentage of realisation as follows:

Remuneration charged as a set amount

It is proposed that the Administrators will charge a fixed fee of £20,000 in respect of the categories of work set out in the schedule of work attached at **Appendix D**. We anticipate that requesting the approval of part of our remuneration as a set amount will give certainty to creditors over the sum to be charged, reduces the administrative burden to provide detailed time recording information to creditors and represents a fair and reasonable reflection of the work it is anticipated will be undertaken by the Administrators.

Remuneration charged on a percentage of the value of the property

It is proposed that Administrators' fees will charge a fee of 15% of the gross realisations (net of VAT) of the terminal loss relief claim - £6,339.54 (£42,263.63 x 15%). We anticipate that requesting the approval of part of our remuneration as a percentage of the value of the property will give greater certainty to creditors over the sum to be charged, aligns the interest of the Administrators with the creditors, reduces the administrative burden to provide detailed time recording information to creditors and represents a fair and reasonable reflection of the work it is anticipated will be undertaken by the Administrators.

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in **Appendix D**.

Administrators' expenses

I attach at **Appendix F** a statement of expenses that have been incurred during the period covered by this report.

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other *expenses, which are first disclosed in this report, under the Insolvency* (*England and* Wales) Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix F** only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link http://creditors.frpadvisory.com/feesguide.htm and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of eight weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

FRP Advisory

Administrators' pre-appointment costs

The Company resolved to pay FRP Advisory LLP the sum of £20,000 plus VAT for assisting with the placing of the Company into Administration.

I am seeking to obtain approval from creditors (which in this case will be ABN) in accordance with the Insolvency Rules.

Appendix A

Statutory Information

EXCEL AUTOMOTIVE GROUP LIMITED (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names:	EAG
Company number:	04913222
Registered office:	Minerva, 29 East Parade, Leeds, Yorkshire, LS1 5PS
Previous registered office:	Unit 2-4 New Court, Mildred Sylvester Way, Normanton, West Yorkshire, WF6 1TA
Business address:	Unit 2-4 New Court, Mildred Sylvester Way, Normanton, West Yorkshire, WF6 1TA

ADMINISTRATION DETAILS:

Administrators:	Philip Edward Pierce & Paul Andrew Whitwam
Address of Administrators:	FRP Advisory LLP Minerva, 29 East Parade, Leeds, Yorkshire, LS1 5PS
Date of Administrators' appointment:	17 August 2017
Court in which administration proceedings were brought:	High Court of Justice, Chancery Division, Leeds District Registry
Court ref number:	725 of 2017
Appointor:	Directors
Previous office holders, if any:	N/A
Extensions to the initial period of appointment:	None
Date of approval of Administrators' proposals:	7 September 2017

Appendix B

CH Form AM10 Formal Notice of the Progress Report

Appendix C

A schedule of work

EXCEL AUTOMOTIVE GROUP LIMITED - IN ADMINISTRATION

Schedule of Work

The table below sets out a detailed summary of the work undertaken by the Joint Administrator to date and details of the work it is anticipated will be undertaken by the Joint Administrator throughout the duration of this assignment.

Where work undertaken results in the realisation of funds, such as from the sale of assets or enhanced recoveries and potentially a reduction in creditor claims, there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor. In this case work undertaken will include the scrutiny and agreement of creditor claims via the prescribed part.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including regular reporting on progress, notifying statutory bodies where required in relation to the conduct of the directors, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

The fee basis for the different categories or work is set out in this table together with an estimate of the estimated fee for each category of work where this can be estimated.

Note	Category			Fee Basis/ Category	Estimated fee £
1	**ADMINISTRATION AND PLANNING** **Work undertaken to date**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**	**Fixed Fee**	**Included in £20,000**
			General matters		
	Regularly reviewed the conduct of the case and the case strategy and updated as required by the insolvency practitioners' regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing. This aids efficient case management. Cancelled insurance cover once the leasehold property had been dealt with.		Regularly reviewing the conduct of the case and the case strategy and updating as required by the insolvency practitioners' regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing.		

FRP

EXCEL AUTOMOTIVE GROUP LIMITED - IN ADMINISTRATION

Schedule of Work

	<u>Statutory Requirements</u> • Completed money laundering risk assessment procedures and Know your client checks in accordance with the Money Laundering Regulations. • Completed take on procedures which included consideration of professional and ethical matters and other legislation such as the Bribery Act, Data Protection Act. • In addition to the above take on procedures, we considered if there were any other case specific matters to be aware of prior to or on appointment particular licences or registrations and the tax position.				
	Case Management Requirements				
	We obtained legal advice on the validity of appointment to ensure all required documentation had been properly filed and submitted. In addition, this included a review of any security documentation to confirm the validity of any charges. Set up and administered estate bank accounts throughout the duration of the case. Compiled a forecast of the work that has been or is anticipated will be undertaken throughout the duration of the case, circulated this to creditors together with other such documentation as required to enable the relevant approving creditors to assess and vote on the fee bases proposed.				

Schedule of Work

2	**ASSET REALISATION** **Work undertaken to date**		**ASSET REALISATION** **Future work to be undertaken**		
	The main asset is the debtors' ledger, which is to be collected during the Administration. As part of this process, the Joint Administrators have assisted the Purchaser and ABN with the collection of the ledger and provided regular updates to ABN on the progress of the ledger collection. We have obtained a terminal loss relief claim of £42,263 from HMRC. We have obtained rates refunds from the local council and an insurance refund from the previous insurer. We have contacted the Landlord regarding the rent deposit held to ascertain whether any of this is repayable to the Company.		The ledger collection is now largely exhausted and we do not expect there to be any significant further receipts. We are continuing to pursue the landlord to obtain the breakdown of the costs he has incurred in relation to the lease / property to gauge whether any funds are due back to the Company. We are not aware of any further asset realisations.	**Debtors** **Tax refund** **Other**	**Fee of £5k paid direct by ABN** **15% of realisations** **Included in £20,000 fixed fee**

EXCEL AUTOMOTIVE GROUP LIMITED - IN ADMINISTRATION

Schedule of Work

3	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken to date**		**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**	**Fixed Fee**	**Included in £20,000**
	Provided statutory reports to various stakeholders at regular intervals and managed any queries which arose. Copies of these reports were filed with the Registrar of Companies. Dealt with post appointment VAT and or other tax returns as required. The IP is required to establish the existence of any pension schemes and staging dates for auto-enrolment and take appropriate action to notify all relevant parties and appoint independent trustees if required. We have closed the Company's NEST pension scheme as the members transferred to the Purchaser's pension scheme		We will continue to report to creditors as and when required to do so. We will seek consent from ABN to extend the Administration for a 12 month period to allow the prescribed part to be agreed and distributed. We will deal with the statutory requirements in order to bring the case to a close and for the Joint Administrators to obtain their release from office; this will include preparing final reports for stakeholders and filing the relevant documentation with the Registrar of Companies.		
4	**INVESTIGATIONS** **Work undertaken to date**		**INVESTIGATIONS** **Future work to be undertaken**	**Fixed Fee**	**Included in £20,000**
	Requested all directors who have held office within 3 years of the insolvency to complete a questionnaire in respect of their conduct. Prepared the statutory return to the Department of Business Energy and Industrial Strategy ("DBEIS") in accordance with the Company Directors Disqualification Act. Information provided to DBEIS is confidential but can be used to assist DBEIS in identifying conduct that		No further work anticipated		

	should be investigated further and could result in individuals being disqualified from acting as a director Considered information provided all stakeholders that might identify further assets or lines or enquiry for the Joint Administrator to explore if benefit to the estate is possible.				
5	**CREDITORS** **Work undertaken to date**		**CREDITORS** **Future work to be undertaken**	**Fixed Fee**	**Included in £20,000**
	<u>Secured Creditors</u> ABN hold a charge over the Company's debts and have been receiving the proceeds from the collection of the debtors' ledger. There is going to be a shortfall to ABN under its fixed charge and we have made a floating charge distribution of £22.5k to ABN. Before we made the £22.5k distribution, we set aside the required amount under the prescribed part, (essentially a ring fenced sum of money) which must first be set aside for the benefit of the unsecured creditors. <u>Unsecured Creditors</u> There will be a very small dividend available to unsecured creditors by way of the prescribed part. <u>HMRC Claims</u> Liaised with HMRC to establish their claim and sought		<u>Secured Creditors</u> There may be a further small distribution available to ABN, which is subject to the receipt of any of the rent deposit form the landlord. <u>Unsecured Creditors</u> The Joint Administrator will advertise for claims and adjudicate on them to make the very small distribution under the prescribed part. There is a statutory time limit to enable creditors whose claims have been rejected to appeal, once this time limit has passed the Joint Administrator will make a distribution to creditors. <u>HMRC</u> We will continue to liaise with HMRC to finalise its claim.		

	tax advice to minimise claims and maximise returns to creditors where appropriate. <u>Retention of Title</u> Assisted the Purchaser, as required, in dealing with creditors or third parties claiming ownership or reservation of title to assets in the possession of the insolvent estate. All ROT claims have been dealt with. <u>Assets on Finance</u> Established the position with regards assets on finance and arranged for assets to be returned to finance companies as required. <u>Leasehold Property</u> The landlord accepted rent directly from the Purchaser and the property was vacated at the end of October 2017. We then agreed a surrender of the lease with the landlord / landlord's agents.				
6	**TRADING (where applicable)** **Work undertaken during the reporting period**		**TRADING (where applicable)** **Future work to be undertaken**	**Not applicable**	
	The business and assets were sold on appointment		No further work anticipated		

EXCEL AUTOMOTIVE GROUP LIMITED - IN ADMINISTRATION

Schedule of Work

7	**LEGAL AND LITIGATION** **Work undertaken during the reporting period**		**LEGAL AND LITIGATION** **Future work to be undertaken**	**Fixed Fee**	**Included in £20,000**
	Our solicitors advised us around the sale of the business and assets, validity of appointment and assisted with finalising the surrender of the leasehold property.		No further work anticipated		

FRP Advisory

Appendix D

Details of the Administrators' disbursements for the period and cumulative

FRP Advisory

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the administration of the Company, are paid by FRP at the HMRC approved mileage rate. It is proposed mileage is recharged and drawn at the HMRC approved mileage rate prevailing at the time the mileage was incurred.

Category 1 disbursements

These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question, these include but are not limited to such items as case advertising, storage, bonding, searches and insurance.

Category 2 disbursements

These are expenses that are directly referable to the appointment in question but not a payment to an independent third party. With the exception of mileage, FRP do not charge category 2 disbursements.

Category 2 disbursements require prior approval in the same manner as an office holder's remuneration.

Category 1	Incurred in Period	Total Incurred
Bonding	125	125
Computer Consumables	424	424
Postage	64	64
Subsistence	6	6
Category 2		
Car/Mileage Recharge	150	150
Total	**769**	**769**

Appendix E

Receipts and payments account for the period and cumulative

Excel Automotive Group Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 17/08/2017 To 16/02/2018 £	From 17/08/2017 To 16/02/2018 £
	SECURED ASSETS		
1.00	Customer contracts	1.00	1.00
1.00	Sellers records	1.00	1.00
1.00	Goodwill	1.00	1.00
1.00	Business Intellectual Property Rights	1.00	1.00
		4.00	4.00
	ASSET REALISATIONS		
10,000.00	Plant & Machinery	10,000.00	10,000.00
39,996.00	Stock	39,996.00	39,996.00
	Rates Refund	1,029.84	1,029.84
	Tax Refund	42,263.63	42,263.63
	Insurance Refund	491.15	491.15
	Cash at Bank	330.49	330.49
	Bank Interest Gross	73.89	73.89
		94,185.00	94,185.00
	COST OF REALISATIONS		
	Preparation of S. of A.	2,000.00	2,000.00
	Agents/Valuers Fees (1)	1,250.00	1,250.00
	Agents/Valuers Fees - Pre-Administrati	4,422.00	4,422.00
	Legal fees - Pre-Administration	6,050.00	6,050.00
	Statutory Advertising	84.60	84.60
	Insurance of Assets	308.00	308.00
		(14,114.60)	(14,114.60)
	FLOATING CHARGE CREDITORS		
	Floating Charge Creditor	22,500.00	22,500.00
		(22,500.00)	(22,500.00)
50,000.00		**57,574.40**	**57,574.40**
	REPRESENTED BY		
	IB Current Floating		77,323.08
	Trade Creditors		(22,500.00)
	Vat Control Account		2,751.32
			57,574.40

Philip Edward Pierce
Joint Administrator

Appendix F

Statement of expenses incurred in the Period

FRP Advisory

Excel Automotive Group Limited (In Administration)
Statement of expenses for the period ended
16 February 2018

Expenses	Period to 16 February 2018 £	Cumulative period to 16 February 2018 £
Office Holders' remuneration (Time costs)	0	0
Office Holders' remuneration (Fixed Fee)	0	20,000
Office Holders' remuneration (Percentage)	6,340	6,340
Office Holders' disbursements	0	0
Office Holders' remuneration and disbursements - pre Administration	0	20,000
Legal fees and disbursements - pre Administration	(600)	6,050
Agents fees and disbursements - pre Administration	4,672	7,672
Legal fees and disbursements - post Administration	0	1,000
Agents fees and disbursements - post Administration	0	0
Insurance	(692)	308
Bonding	(125)	0
Statutory Advertising	0	85
Storage charges	50	50
Redirection of mail	0	0
Landlord / Licence to occupy cost	(15,197)	0
Bank charges	0	0
Total	**(5,553)**	**61,504**