

The Insolvency Act 1986

Administrators' progress report

| | |
|--|----------------------------------|
| Name of Company Bluebird Vehicles Limited | Company number 04969581 |
| In the High Court of Justice, Chancery Division, Leeds District Registry [full name of court] | Court case number 717 of 2014 |

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

I/We (a)

Howard Smith
KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

Brian Green
KPMG LLP
1 St Peter's Square
Manchester
M2 3AE

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

(b) Insert dates

from

to

(b) 9 May 2015

(b) 8 November 2015

Signed



Joint Administrator

Dated

3 December 2015

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.

Trang Nguyen
KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA United Kingdom

Tel 0113 2313914

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

SATURDAY



A24

A4LLEPDE

05/12/2015

#279

COMPANIES HOUSE



cutting through complexity™

Bluebird Vehicles Limited - in Administration

Joint Administrators' progress report for
the period 9 May 2015 to 8 November
2015

4 December 2015

Notice to creditors

This progress report provides an update on the Administration of the Company

We have included (Appendix 2) an account of all amounts received and payments made since the date of our appointment

We have also explained our future strategy for the Administration and how likely it is that we will be able to pay each class of creditor

You will find other important information in this progress report such as the costs which we have incurred to date

A glossary of the abbreviations used throughout this document is attached (Appendix 5)

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.insolvency-kpmg.co.uk/case+KPMG+BE704B0618.html> We hope this is helpful to you

Please also note that an important legal notice about this progress report is attached (Appendix 6)



See Notice About this Report All rights reserved © 2015 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative a Swiss entity All rights reserved

Contents

| | | |
|-------------------|---|-----------|
| 1 | Executive summary | 1 |
| 2 | Progress to date | 2 |
| 3 | Dividend prospects | 3 |
| 4 | Joint Administrators' remuneration, disbursements and pre-administration costs | 4 |
| 5 | Future strategy | 5 |
| Appendix 1 | Statutory information | 6 |
| Appendix 2 | Joint Administrators' receipts and payments account | 7 |
| Appendix 3 | Schedule of Expenses | 11 |
| Appendix 4 | Joint Administrators' charging and disbursements policy | 12 |
| Appendix 5 | Glossary | 17 |
| Appendix 6 | Notice About this report | 18 |



See Notice About this Report. All rights reserved © 2015 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity. All rights reserved.

1 Executive summary

- The Director resolved on 3 July 2014 to appoint us as Joint Administrators. The notice of appointment was lodged at the High Court of Justice, Chancery Division, Leeds District Registry on 3 July 2014 and we were duly appointed.
- This progress report covers the period from 9 May 2015 to 8 November 2015.
- We circulated our statement of proposals ('Proposals') to all known creditors on 27 August 2014. They were deemed approved without modification on 9 September 2014. Our first progress report was circulated to the Company's creditors on 2 February 2015, with our extension progress report being circulated to all known creditors on 11 June 2015.
- The Joint Administrators sought and were granted consent from the preferential and secured creditors of the Company to extend the Administration until 2 January 2016 (Section 2 - Progress to date).
- The Joint Administrators completed a sale of various assets of the Company on 14 July 2014 and all of these sale proceeds have been received.
- The collection of outstanding book debt has been concluded during the period, with the surplus being received by the Joint Administrators' (Section 2 - Progress to date).
- Shawbrook has been paid in full under its security in the period, however it is anticipated that Finance Yorkshire will have a shortfall under its security (Section 3 - Dividend prospects).
- It is anticipated that there will be a dividend to preferential creditors (Section 3 - Dividend prospects).
- It is highly unlikely there will be a dividend to the unsecured creditors (Section 3 - Dividend prospects).
- The Administration is due to end on 2 January 2016.
- Please note you should read this progress report in conjunction with our previous progress reports and proposals issued to the Company's creditors which can be found at <http://www.insolvency-kpmg.co.uk/case+KPMG+BE704B0618.html>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Howard Smith
Joint Administrator



2 Progress to date

This section updates you on our strategy for the Administration and on our progress to date. It follows the information provided in our previous progress report.

2.1 Strategy and progress to date

Strategy

As previously reported, we determined that it was not appropriate to continue trading in the Administration. In addition, as a sale of business process had been attempted prior to our appointment, a sale as a going concern was not achievable.

As stated in our proposals, it was not necessary to hold a meeting of creditors, as the Company has insufficient property to enable us to make a distribution to unsecured creditors, other than potentially by way of the Prescribed Part (Paragraph 52(1)(b) statement – Insolvency Act 1986). However, the Joint Administrators intend to apply to Court to obtain an order that the Prescribed Part shall not apply on the grounds that the cost of making a distribution to the unsecured creditors would be disproportionate to the benefits.

The Joint Administrators have now concluded the collection of the remaining book debts and are in the process of distributing funds to the Company's secured and preferred creditors, prior to moving the Company to dissolution.

Sale of assets

As previously reported, on 14 July 2014, we sold various assets of the Company to Woodall Nicholson, for £250,000, which was paid on completion.

In addition, various items of plant and machinery were sold to BES, a company owned by the Company's Director, Robert Miller, for total consideration of £9,500.

Further details of the assets realised is provided in our previous progress reports.

No further realisations are anticipated.

2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the period are provided below.

Book Debt Surplus

As mentioned in our previous report, the main outstanding debtor of the Company represented approximately £255,000 of the outstanding ledger on appointment. The debt collection process has been concluded during the period, with a settlement of £177,000 being agreed with the outstanding debtor. This amount was paid directly to Shawbrook, a secured creditor of the Company.

As a result of receiving these funds, Shawbrook has now recovered its lending in full and surplus funds totalling £56,344, have been received by the Joint Administrators.

Other assets

Bank interest of £417 has been received during the period.



Investigations

We have continued to review the affairs of the Company to find out if there are any actions which can be taken against third parties, to increase recoveries for creditors

2.3 Costs

Payments made in this period are set out in the attached receipts and payments account (Appendix 2)

Summaries of the most significant payments made during the period are provided below

Joint Administrators' fees

During the period, the Joint Administrators have drawn £29,750 of fees against total time costs incurred. A final fee will be drawn once all other costs of the Administration have been settled

Solicitors' fees and disbursement

Legal costs of £33,154 and disbursements of £2,792 have been paid to Irwin Mitchell during the period. These amounts include the accruals from the prior period

Other costs

Storage costs of £50 and statutory advertising of £85 have been paid during the period

2.4 Schedule of expenses

Joint Administrators fees

Joint Administrator fees of £61,795 have been incurred in the period, but not yet paid

Legal fees and disbursements

Legal fees of £1,119 have been incurred in the Period but not yet paid

Legal disbursements of £86 have also been incurred

Storage costs

Storage costs of £750 have been incurred in the Period, but not yet paid

3 Dividend prospects

3.1 Secured creditors

Shawbrook (formerly Centric)

Shawbrook holds a fixed and floating charge over the Company's assets by virtue of a debenture dated 18 February 2014

We have received a security review from Irwin Mitchell confirming the validity of Shawbrook's security

Shawbrook advised the Joint Administrators that they have been repaid in full from the realisations of book debt in the Administration. A surplus book debt collection funds of £56,344 has been transferred to the Joint Administrators' account during the period, as noted in the previous section



Finance Yorkshire

Finance Yorkshire holds a fixed and floating charge over the Company's assets by virtue of a debenture dated 14 April 2014

We have received a security review from Irwin Mitchell confirming the validity of Finance Yorkshire's security

No distribution has been made to Finance Yorkshire during the period

3.2 Preferential creditors

We estimate the amount of preferential claims to be £30,770

Based on current estimates, it is anticipated that there will be a dividend to preferential creditors, and this will be paid shortly

3.3 Unsecured creditors

Based on current estimates, it is highly unlikely that there will be a dividend to unsecured creditors

4 Joint Administrators' remuneration, disbursements and pre-administration costs

4.1 Joint Administrators' remuneration and disbursements

On 20 May 2015, Form 2 25B – Notice of conduct of business by correspondence, along with our extension report to 8 May 2015 was distributed to secured and preferential creditors, in which we sought approval to the following resolutions in relation to remuneration and disbursements

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff according to the charge-out rates included in Appendix 4, and
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 4

We have received approval of our proposed resolutions from both of the Company's secured creditors, Shawbrook and Finance Yorkshire, and preferential creditors

The Joint Administrators have drawn the fee of £29,750 in the Period, as detailed in the previous section

Time costs

From 9 May 2015 to 8 November 2015, we have incurred time costs of £61,795. These represent 196 hours at an average rate of £315 per hour



Disbursements

During the period, we have not incurred any disbursements

Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 9 May 2015 to 8 November 2015. We have also attached our charging and disbursements policy.

5 Future strategy

5.1 Future conduct of the Administration

We will continue to manage the affairs, the business and the property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to:

- making a distribution to Finance Yorkshire, under its security,
- making a distribution to the Company's preferential creditors, as appropriate, and
- finalising all other matters including payment of all Administration liabilities, before arranging to close the Administration and moving the Company to dissolution.

5.2 Extension of the Administration

On 20 May 2015, Form 2 25B – Notice of conduct of business by correspondence, along with our extension report to 8 May 2015 was distributed to secured and preferential creditors, in which we sought approval to extend the period of Administration for six months.

The extension was granted and as a result the Administration will expire on 2 January 2016. The Joint Administrators do not propose seeking further extension.

5.3 Discharge from liability

We have sought consent from secured and preferential creditors that the Joint Administrators be discharged from liability under Paragraph 98 of Schedule B1 of the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.

Consent was obtained from both secured and preferential creditors following our extension report, enclosing Form 2 25B, being distributed on 20 May 2015.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against us.

Should the circumstances of the Administration change, we reserve the right to revert to the unsecured creditors in order to obtain discharge from liability.

5.4 Future reporting

We intend to provide our final progress report by 2 January 2016.



Appendix 1 Statutory information

| Company information | |
|--|--|
| Company name | Bluebird Vehicles Limited |
| Date of incorporation | 19 November 2003 |
| Company registration number | 04969581 |
| Present registered office | 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA |
| Administration information | |
| Administration appointment | The Administration appointment granted in High Court Leeds District Registry 717 of 2014 |
| Appointor | Directors |
| Date of appointment | 3 July 2014 |
| Joint Administrators' details | Howard Smith and Brian Green |
| Values of the Net Property and Prescribed Part | Net Property is £27,168 Prescribed Part is £8,434 The Prescribed Part has been taken into account when determining the dividend prospects for unsecured creditors (Section 3) |
| Prescribed Part distribution | The Joint Administrators intend to apply to Court to obtain an order that the Prescribed Part shall not apply on the grounds that the cost of making a distribution to the unsecured creditors would be disproportionate to the benefits |
| Functions | The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) |
| Current Administration expiry date | 2 January 2016 |



Appendix 2 Joint Administrators' receipts and payments account

| Bluebird Vehicles Limited - in Administration | | | |
|---|--------------------------------|--------------------------------------|--------------------------------------|
| Abstract of receipts & payments | | | |
| Statement of affairs (£) | | From 09/05/2015 To 08/11/2015 (£) | From 03/07/2014 To 08/11/2015 (£) |
| FIXED CHARGE ASSETS | | | |
| 610,156 98 | Book debts | NIL | 5,163 74 |
| | Other debtors | NIL | 631 80 |
| | Property rights/Patents | NIL | 10,000 00 |
| | Goodwill | NIL | 1 00 |
| | Bank interest, gross | 12 47 | 12 47 |
| | Bank interest, net of tax | 59 83 | 88 20 |
| | Book debt surplus | 56,343 70 | 56,343 70 |
| | | 56,416 00 | 72,240 91 |
| FIXED CHARGE COSTS | | | |
| | Administrators' fees | (29,750 00) | (29,750 00) |
| | Legal fees | (26,957 70) | (26,957 70) |
| | Legal fees (2) | (2,792 30) | (2,792 30) |
| | | (59,500 00) | (59,500 00) |
| FIXED CHARGE CREDITORS | | | |
| (503,799 00) | Shawbrook Bank Limited | NIL | NIL |
| | | NIL | NIL |
| HP/LEASING | | | |
| 4,000 00 | Heaters | NIL | NIL |
| (6,904 06) | ING | NIL | NIL |
| 7,500 00 | Photocopier | NIL | NIL |
| (16,277 87) | BNP Paribas | NIL | NIL |
| | | NIL | NIL |
| ASSET REALISATIONS | | | |
| | Contribution to Landlord costs | NIL | 5,901 42 |
| 62,799 00 | Plant & machinery | NIL | 62,299 00 |
| 151,200 00 | Motor vehicles | NIL | 151,200 00 |
| 24,000 00 | Stock | NIL | 24,000 00 |
| 12,000 00 | Stock - work in progress | NIL | 12,000 00 |
| 10,000 00 | Property rights/Patents | NIL | NIL |
| | Cash at bank | NIL | 2,749 48 |
| | Petty Cash | NIL | 172 86 |



Bluebird Vehicles Limited - in Administration
Abstract of receipts & payments

| Statement of affairs (£) | | From 09/05/2015 To 08/11/2015 (£) | From 03/07/2014 To 08/11/2015 (£) |
|--------------------------|----------------------------------|--------------------------------------|--------------------------------------|
| | | NIL | 258,322 76 |
| | OTHER REALISATIONS | | |
| | Bank interest, gross | 163 92 | 163 92 |
| | Bank interest, net of tax | 180 33 | 634 39 |
| | Sundry refunds | NIL | 380 21 |
| | | 344 25 | 1,178 52 |
| | COST OF REALISATIONS | | |
| | Agents' fees | NIL | (7,500 00) |
| | Agents' disbursements | NIL | (749 14) |
| | Legal fees | (6,196 00) | (16,196 00) |
| | Legal disbursements | NIL | (50 00) |
| | Subcontractor costs | NIL | (1,000 00) |
| | Service charge | NIL | (2,392 87) |
| | Payroll costs | NIL | (138 00) |
| | Heat & light | NIL | (4,317 27) |
| | Storage costs | (49 82) | (2,373 16) |
| | Re-direction of mail | NIL | (195 00) |
| | Statutory advertising | (84 60) | (169 20) |
| | Rent | NIL | (14,080 91) |
| | Rates | NIL | (4,188 78) |
| | Insurance - Landlord | NIL | (285 57) |
| | Insurance of assets | NIL | (702 23) |
| | Transportation costs | NIL | (630 00) |
| | Bank charges | (20 00) | (80 00) |
| | Wages | NIL | (2,496 54) |
| | | (6,350 42) | (57,544 67) |
| | PREFERENTIAL CREDITORS | | |
| (5,191 16) | Employees | NIL | NIL |
| (22,284 90) | RPO | NIL | NIL |
| | | NIL | NIL |
| | FLOATING CHARGE CREDITORS | | |
| (350,000 00) | Finance Yorkshire Limited | NIL | NIL |
| | | NIL | NIL |
| | UNSECURED CREDITORS | | |
| (1,239,720 68) | Trade & expense | NIL | NIL |



Bluebird Vehicles Limited - in Administration

Abstract of receipts & payments

| Statement of affairs (£) | | From 09/05/2015 To 08/11/2015 (£) | From 03/07/2014 To 08/11/2015 (£) |
|--------------------------|---------------------------|--------------------------------------|--------------------------------------|
| (61,591 83) | Non-preferential PAYE/NIC | NIL | NIL |
| (60,740 11) | Non-preferential VAT | NIL | NIL |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (573,617 00) | Preference shareholders | NIL | NIL |
| (575,917 00) | Ordinary shareholders | NIL | NIL |
| | | NIL | NIL |
| (2,534,387 63) | | (9,090 17) | 214,697 52 |
| | REPRESENTED BY | | |
| | Floating ch VAT rec'able | | 9,644 40 |
| | Fixed charge current | | 12,740 91 |
| | Floating charge current | | 200,706 61 |
| | Fixed charge VAT rec'able | | 11,501 76 |
| | Floating ch VAT payable | | (53,080 28) |
| | Floating ch VAT control | | 44,685 88 |
| | Fixed charge VAT control | | (11,501 76) |
| | | | 214,697 52 |





Appendix 3 Schedule of Expenses

Schedule of expenses (09/05/2015 to 08/11/2015)

| Expenses (£) | Incurred and paid in the period (£) | Incurred in the period not yet paid (£) | Total (£) |
|-----------------------------|-------------------------------------|---|------------------|
| Fixed charge costs | | | |
| Administrators' fees | 0 00 | 61,795 00 | 61,795 00 |
| Legal fees | 0 00 | 1,119 00 | 1,119 00 |
| Legal disbursement | 0 00 | 50 00 | 50 00 |
| Cost of realisations | | | |
| Storage costs | 0 00 | 750 00 | 750 00 |
| Statutory advertising | 84 60 | 0 00 | 84 60 |
| Bank charges | 20 00 | 0 00 | 20 00 |
| TOTAL | 104 60 | 63,714 00 | 63,818 60 |

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court

The full text of the relevant rules can be provided on request by writing to Trang Nguyen at 1 Sovereign Square, Sovereign Street, Leeds, LS1 4DA



Appendix 4 Joint Administrators' charging and disbursements policy

Joint Administrators' charging policy

The time charged to the Administration is by reference to the time properly given by us and our staff in attending to matters arising in the Administration. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the Administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at

http://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Nov_2011.pdf

If you are unable to access this guide and would like a copy, please contact Trang Nguyen on 0113 2313914.

Hourly rates

Set out below are the relevant hourly charge-out rates for the grades of our staff actually or likely to be involved on this Administration. Time is charged by reference to actual work carried out on the Administration, using a minimum time unit of six minutes.

All staff who have worked on the Administration, including cashiers and secretarial staff, have charged time directly to the Administration and are included in the analysis of time spent. The cost of staff employed in central Administration functions is not charged directly to the Administration but is reflected in the general level of charge-out rates.

| Charge-out rates (£) for: Restructuring | | |
|---|-----------------------|-----------------------|
| Grade | From 01 Oct 2014 £/hr | From 01 Oct 2015 £/hr |
| Partner | 595 | 595 |
| Director | 535 | 535 |
| Senior Manager | 485 | 485 |
| Manager | 405 | 405 |
| Senior Administrator | 280 | 280 |
| Administrator | 205 | 205 |
| Support | 125 | 125 |

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the Administration. In our next statutory report, we will inform creditors of any material amendments to these rates.



Policy for the recovery of disbursements

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile
- Use of company car – 60p per mile
- Use of partner's car – 60p per mile

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have not incurred any disbursements during the period.

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.



Narrative of work carried out for the period 9 May 2015 to 8 November 2015

The key areas of work have been

| | |
|---|--|
| Statutory and compliance | <ul style="list-style-type: none"> ■ preparing statutory receipts and payments accounts, ■ ensuring compliance with all statutory obligations within the relevant timescales |
| Strategy documents, Checklist and reviews | <ul style="list-style-type: none"> ■ briefing of our staff on the Administration strategy and matters in relation to various work-streams, ■ regular case management and reviewing of progress, including regular team update meetings and calls, ■ reviewing and authorising junior staff correspondence and other work, ■ dealing with queries arising during the appointment, ■ reviewing matters affecting the outcome of the Administration, ■ allocating and managing staff/case resourcing and budgeting exercises and reviews, ■ liaising with legal advisors regarding the various instructions, including agreeing content of engagement letters, ■ complying with internal filing and information recording practices, including documenting strategy decisions |
| Reports to debenture holders | <ul style="list-style-type: none"> ■ providing written and oral updates to representatives of Shawbrook and finance Yorkshire regarding the progress of the Administration and case strategy |
| Cashiering | <ul style="list-style-type: none"> ■ preparing and processing vouchers for the payment of post-appointment invoices, ■ creating remittances and sending payments to settle post-appointment invoices ■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments |
| Tax | <ul style="list-style-type: none"> ■ reviewing the Company's pre-appointment corporation tax and VAT position ■ analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations, ■ working initially on tax returns relating to the periods affected by the Administration, ■ analysing VAT related transactions, ■ reviewing the Company's duty position to ensure compliance with duty requirements ■ dealing with post appointment tax compliance |
| Shareholders | <ul style="list-style-type: none"> ■ providing copies of statutory reports to the shareholders |
| General | <ul style="list-style-type: none"> ■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9, ■ drawing remuneration in accordance with the basis which has been approved by secured and preferential creditors ■ locating relevant Company books and records, arranging for their collection and dealing with the ongoing storage |
| Asset realisations | <ul style="list-style-type: none"> ■ reviewing outstanding debtors and management of debt collection strategy, ■ seeking legal advice in relation to book debt collections, ■ liaising with Shawbrook regarding debtor recoveries |
| Employees | <ul style="list-style-type: none"> ■ dealing with issues arising from employee redundancies, including statutory notifications and liaising with the Redundancy Payments Office, ■ managing claims from employees, |
| Pensions | <ul style="list-style-type: none"> ■ calculating employee pension contributions and review of pre-appointment unpaid contributions, ■ ensuring compliance with our duties to issue statutory notices, |
| Creditors and claims | <ul style="list-style-type: none"> ■ creating and updating the list of unsecured creditors, ■ responding to enquiries from creditors regarding the Administration and submission of their claims, ■ drafting our progress report |



SIP 9 –Time costs analysis

| SIP 9 –Time costs analysis (09/05/2015 to 08/11/2015) | | | |
|---|-------|---------------|-------------------------|
| | Hours | Time Cost (£) | Average Hourly Rate (£) |
| Administration & planning | | | |
| Cashiering | | | |
| General (Cashiering) | 2 40 | 767 00 | 319 58 |
| Reconciliations (& IPS accounting reviews) | 3 00 | 994 50 | 331 50 |
| General | | | |
| Books and records | 4 50 | 1,822 50 | 405 00 |
| Fees and WIP | 38 40 | 11,697 00 | 304 61 |
| Statutory and compliance | | | |
| Appointment and related formalities | 0 30 | 134 50 | 448 33 |
| Checklist & reviews | 3 00 | 840 00 | 280 00 |
| Statutory receipts and payments accounts | 0 40 | 112 00 | 280 00 |
| Strategy documents | 1 10 | 533 50 | 485 00 |
| Tax | | | |
| Post appointment corporation tax | 20 70 | 6 444 00 | 311 30 |
| Post appointment VAT | 17 40 | 4,679 50 | 268 94 |
| Creditors | | | |
| Creditors and claims | | | |
| Agreement of preferential claims | 7 60 | 2,210 00 | 290 79 |
| General correspondence | 12 00 | 3,249 00 | 270 75 |
| Legal claims | 1 00 | 405 00 | 405 00 |
| Payment of dividends | 4 50 | 1,822 50 | 405 00 |
| ROT Claims | 4 80 | 1,552 00 | 323 33 |
| Secured creditors | 8 50 | 3,802 50 | 447 35 |
| Statutory reports | 21 20 | 6,239 00 | 294 29 |
| Employees | | | |
| Agreeing employee claims | 4 00 | 1,965 00 | 491 25 |
| Correspondence | 28 70 | 8 473 50 | 295 24 |
| Pension funds | 1 50 | 696 50 | 464 33 |
| Pensions reviews | 1 20 | 246 00 | 205 00 |
| Investigation | | | |
| Directors | | | |
| Correspondence with directors | 2 00 | 810 00 | 405 00 |
| Realisation of assets | | | |
| Asset Realisation | | | |

SIP 9 –Time costs analysis (09/05/2015 to 08/11/2015)

| | Hours | Time Cost (£) | Average Hourly Rate (£) |
|------------------------|---------------|------------------|-------------------------|
| Debtors | 7 70 | 2 299 50 | 298 64 |
| Total in period | 195 90 | 61,795 00 | 315 44 |

| | | |
|--|----------|------------|
| Brought forward time (appointment date to SIP 9 period start date) | 1,177 30 | 334,375 00 |
| SIP 9 period time (SIP 9 period start date to SIP 9 period end date) | 195 90 | 61,795 00 |
| Carry forward time (appointment date to SIP 9 period end date) | 1,373 20 | 396,170 00 |

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Appendix 5 Glossary

| | |
|---------------------------------------|---|
| BES | Bluebird Engineering Solutions Limited |
| Company | Bluebird Vehicles Limited - in Administration |
| Director | Robert Cameron Miller |
| ES Group | ES (Group) Ltd (now - Lambert Smith Hampton Limited) |
| Finance Yorkshire | Finance Yorkshire Limited |
| Irwin Mitchell | Irwin Mitchell LLP |
| Joint Administrators/we/our/us | Howard Smith and Brian Green |
| KPMG | KPMG LLP |
| Shawbrook | Shawbrook Bank Limited (previously Centric Spv 1 Limited) |
| Woodall Nicholson | Woodall Nicholson Limited |

Any references in this progress report to sections, paragraphs or rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules 1986 respectively



Appendix 6 Notice About this report

This report has been prepared by Howard Smith and Brian Green, the Joint Administrators of Bluebird Vehicles Limited – in Administration (the 'Company'), solely to comply with their statutory duty to report to creditors under the Insolvency Rules 1986 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules 1986 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Howard Smith is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association.

Brian Green is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the Administration.



© 2015 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative, a Swiss entity. All rights reserved.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name, logo and "cutting through complexity" are registered trademarks or trademarks of KPMG International Cooperative ("KPMG International").

