

Liquidator's Progress Report

Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986

S.192

To the Registrar of Companies

Company Number

06687733

Name of Company

(a) Insert full
name of company

(a) A & R AUTOSPARES (BRISTOL) LIMITED

(b) Insert full
name(s)
and
address(es)

We (b) Colin Prescott and Andrew Beckingham

of Leonard Curtis, 2nd Floor, 40 Queen Square, Bristol BS1 4QP

the Liquidator(s) of the company attach a copy of our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 24 March 2016 to 23 March 2017

Signed



Date: 8 May 2017

Presenter's
name, address
and reference (if
any)

Leonard Curtis,
2nd Floor,
40 Queen Square,
Bristol
BS1 4QP
Ref: S/29/NFH/SA745B/115

THURSDAY



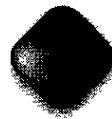
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COMPANIES HOUSE



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

A & R AUTOSPARES (BRISTOL) LIMITED
(In Creditors' Voluntary Liquidation)

Company Number: 06687733

Registered Office: 2nd Floor, 40 Queen Square, Bristol, BS1 4QP

Former Registered Office: Redland House, 157 Redland Road, Redland, Bristol BS6 6YE

Trading Address: 5-7 Waverley Road, Redland, Bristol BS6 6ES

Joint Liquidators' First Progress Report
Pursuant to Section 104A(1) of the Insolvency Act 1986 (as amended)
and Rules 18.2, 18.3, 18.4 & 18.7 of the Insolvency (England and Wales) Rules 2016

Report Period
24 March 2016 to 23 March 2017

8 May 2017

Leonard Curtis
2nd Floor, 40 Queen Square, Bristol BS1 4ND
Tel: 0117 929 4900 Fax: 0117 927 0000
Bristol@leonardcurtis.co.uk
Ref: S29/NFH/A745B/1010

TO ALL MEMBERS, CREDITORS AND THE REGISTRAR OF COMPANIES

1 INTRODUCTION

- 1.1 Colin Prescott and Andrew Beckingham were appointed Joint Liquidators of A & R Autospares (Bristol) Limited ("the Company") on 24 March 2016. We are both licensed in the UK by the Institute of Chartered Accountants in England and Wales, Office Holder numbers 9056 and 8683. I can confirm that there have been no changes since the date of appointment.
- 1.2 This report has been prepared in accordance with the requirements of Section 104A(1) of the Insolvency Act 1986 (as amended) ("the Act") and Rules 18.2, 18.3, 18.4 and 18.7 of the Insolvency (England and Wales) Rules 2016 ("the Rules") to provide creditors with a report on the progress of the liquidation.
- 1.3 This is the first progress report the information contained in this report therefore encompasses the entire period of the liquidation, from 24 March 2016 to 23 March 2017.
- 1.4 The Company's registered office was changed to 2nd Floor, 30 Queen Square, Bristol, BS1 4ND on 13 April 2016 and subsequently changed to 2nd Floor, 40 Queen Square, Bristol BS1 4QP on 2 November 2016.

2 CONDUCT OF THE LIQUIDATION

Asset Realisations

2.1 Physical Assets

At the date of appointment, the Company was in possession of 3 motor vehicles, as well as residual stock items. Much of the stock was subject to retention of title ("ROT") claims from respective suppliers.

In accordance with Statement of Insolvency Practice 13, I would disclose that an offer for 2 of the vehicles as well as the balance of stock items (after accounting for returns under valid ROT claims) in the sums of £2,375 and £1,500 respectively, were received from North West Auto Engineering Limited, a Company with which the Director is connected and holds an interest. These offers were accepted, having sought independent advice from Agents Lambert Smith Hampton ("LSH"), who recommended the same.

The remaining vehicle was uplifted by LSH and entered into auction, achieving a sales price of £1,100.

All proceeds have been received in full; you will note that all physical asset realisations have exceeded that anticipated as against the Company's Statement of Affairs.

2.2 Cash in Hand

Funds of £5,021.76 were received in the hiatus period prior to the appointment date, representing customer payments due, which were held in Leonard Curtis' client account and subsequently transferred to the Liquidation case account.

2.3 Debtors

At the date of appointment, the Company records indicated outstanding debtor accounts with a total book value of £13,724. A provision had been applied against this balance for the purposes of calculating the realisable value of £10,293, given the winding up proceedings. Total realisations in this regard amount to £10,629. Any prospect of future realisation in respect of the remaining accounts is presently uncertain.

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- 1 Introduction
- 2 Conduct of the Liquidation
- 3 Receipts and Payments Account
- 4 Outcome for Creditors
- 5 Investigations
- 6 Joint Liquidators' Remuneration, Expenses and Disbursements
- 7 Other Matters

APPENDICES

- A Summary of Joint Liquidators' Receipts and Payments for the Period from 24 March 2016 to 23 March 2017.
- B Summary of Joint Liquidators' Time Costs for the Period from 24 March 2016 to 23 March 2017, incorporating a Comparison with the Joint Liquidators Initial Fees Estimate.
- C Detailed Narrative of Work Performed by the Joint Liquidators and their Staff
- D Summary of Joint Liquidators' Expenses incorporating a Comparison with the Joint Liquidators Statement of Likely Expenses
- E Additional Information in Relation to the Policy of Leonard Curtis Policy Regarding Fees, Expenses and Disbursements.

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2.4 Sundry Receipts

The sum of £97.38 has been received in respect of a number of sundry refunds.

Outstanding Asset Realisations

2.5 There are no outstanding matters to be attended to, outside of those described above.

3 RECEIPTS AND PAYMENTS ACCOUNT

3.1 Attached at appendix A is summary of the joint liquidators' receipts and payments for the period from 24 March 2016 to 23 March 2016.

4 OUTCOME FOR CREDITORS

Secured Creditors

4.1 There are no Secured Creditors in this matter.

Preferential Creditors

4.2 Preferential Creditors claims in this matter are estimated at £429.

4.3 No distribution will be made to this class of Creditor as the funds realised have used or allocated for payment of the costs and expenses of the Liquidation.

4.4 Prescribed Part

As the company has no unsatisfied post-Enterprise Act Charges, there will be no requirement to set aside a prescribed part in this case.

Ordinary Unsecured Creditors

4.5 Estimated Unsecured liabilities in this matter comprise 22 Creditors, with estimated claims totalling £126,280.

4.6 No funds are available to enable any dividend to Unsecured Creditors. The Joint Liquidators have duly collated and acknowledged the claims of Unsecured Creditors, albeit given that no distribution is available to this class of Creditor, claims have not been formally adjudicated.

5 INVESTIGATIONS

5.1 Following their appointment, the Joint Liquidators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company Directors and Creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.

5.2 That assessment did not identify any possible further realisations. In addition, the Joint Liquidators concluded that no further investigations were required. If, however, any Creditor is aware of any particular matters which they consider require investigation, they should send full details to this office.

5.3 The Joint Liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

6 JOINT LIQUIDATORS' REMUNERATION, EXPENSES AND DISBURSEMENTS AND CREDITORS' RIGHTS

Remuneration

- 6.1 At a Meeting of Creditors held on 24 March 2016, Creditors resolved to approve this Firm's costs in relation to work undertaken prior to the Liquidation including assistance with the Statement of Affairs and information to be presented to Shareholders and Creditors and other related matters at £3,000. This fee has subsequently been drawn.
- 6.2 On 15 June 2016, Creditors resolved by correspondence that the basis of the Joint Liquidators remuneration be payable by reference to time properly given by them and their staff in attending to matters as set out in the Fees Estimate (for an amount not exceeding £17,513.50).
- 6.3 The Joint Liquidators' time costs to date are summarised below:

	Hours No.	Rate / hr £	Total value of time £
Time incurred in the period of this report	63	344.00	21,672.00

To date, fees £11,500 have been drawn against these time costs.

- 6.4 A summary of time costs for the entire Liquidator, incorporating a comparison with the Joint Liquidators original Fees Estimate, is attached at Appendix B.

Expenses

- 6.5 A summary of the Joint Liquidators' expenses in the period 24 March 2016 to 23 March 2016 is attached at Appendix D, incorporating a comparison with the 'Statement of Likely Expenses' circulated out the outset of the proceedings. To assist Creditors' understanding of this information, it has been separated into the following two categories:
1. Standard Expenses: this category includes expenses payable by virtue of the nature of the Liquidation process and/or payable in order to comply with legal or regulatory requirements.
 2. Case Specific Expenses: this category includes expenses likely to be payable by the Joint Liquidators in carrying out their duties in dealing with issues arising in this particular Liquidation. Included within this category are costs that are directly referable to the Liquidation but are not paid to an independent third party (and which may include an element of allocated costs). These are known as 'Category 2 disbursements'; drawing this category of disbursements requires Creditor approval. I would confirm that Creditors resolved to approve the same by correspondence on 15 June 2016.
- 6.6 Attached at Appendix E is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade.
- 6.7 During the liquidation, the following professional advisors and / or subcontractors have been used:

Name of Professional Advisor	Service Provided	Basis of Fees
Lambert Hampton Smith	Costs of valuing and realising assets	Time Costs
MAM Software Limited	IT Equipment	Monthly Rental Fee

6.8 A detailed explanation of Category 1 and Category 2 disbursements is set out in Appendix E of this report.

6.9 Creditors can find further guidance in "A Creditors' Guide to Liquidators' Fees" which may be downloaded from <http://www.leonardcurtis.co.uk/resources/creditorsguides>. If you would prefer this to be sent to you in hard copy please contact Nicola Harcombe of this office on 0117 929 4900.

Creditors are also encouraged to visit the following website, which provides a step by step guide designed to help creditors navigate through an insolvency process:

<http://www.creditorinsolvencyguide.co.uk>

6.10 The joint liquidators are bound by the Insolvency Code of Ethics, which can be found at:

<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

7 Other Matters

7.1 Under Rule 18.9 of the Rules, any secured creditor, or an unsecured creditors (with the concurrence of at least 5% in value of the unsecured creditors) or any unsecured creditor with the permission of the Court, may within 21 days of receipt of this report make a request in writing to the Joint Liquidators for further information about the remuneration or expenses incurred since the date of appointment.

7.2 In accordance with Rule 18.34 and in addition to the above, any secured creditor, or unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) or any unsecured creditor with the permission of the Court, may within 8 weeks of this report make an application to Court on the grounds that the basis fixed for the Joint Liquidators' remuneration, the remuneration charge of the expenses incurred by the Joint Liquidators since the date of appointment are excessive.

7.3 Should you require any further information regarding this report please contact as follows:

Bristol@leonardcurtis.co.uk


Please provide the following information in order for your query to be dealt with efficiently.

- Name of Company
- Your details

Yours faithfully

For and on behalf of

A & R AUTOSPARES (BRISTOL) LIMITED



COLIN PRESCOTT
JOINT LIQUIDATOR

Colin Prescott is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants under office holder number 9056 and Andrew Beckingham is authorised to act as an insolvency practitioner in the UK by the Institute of Chartered Accountants under office holder number 8683

APPENDIX A

SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS
FROM 24 MARCH 2016 TO 23 MARCH 2017

	Estimated to realise £	Realised to Date £
RECEIPTS		
Cash in Hand	5,022.00	5,021.76
Sundry Receipts	-	97.38
Motor Vehicles	3,300.00	3,475.00
Debtors	10,293.00	10,628.50
Stock	Uncertain	1,500.00
Interest on Monies Held	-	8.24
	<u>18,615.00</u>	<u>20,730.88</u>
PAYMENTS		
Liquidator's remuneration		11,500.00
Agents Fees and Expenses		1,863.78
Statutory Advertising		241.65
Bordereau Fee		40.00
Storage Charges		191.50
Money Laundering Searches		10.00
Software Licence		87.00
Document Download		7.00
IT Equipment		411.27
Costs of Creditors Meeting		3,000.00
		<u>17,352.20</u>
 Represented by:		
Current Account		848.24
VAT Control Account		2,530.44
		<u>3,378.68</u>

Comparison of Liquidators Time Costs Estimate & Time Costs from 24 March 2016 to 23 March 2017

	Director				Senior Manager				Manager 1				Manager 2				Administrator 1				Administrator 4				Total		Variance			
	Estimated		Actual at 23.3.2017		Estimated		Actual at 23.3.2017		Estimated		Actual at 23.3.2017		Estimated		Actual at 23.3.2017		Estimated		Actual at 23.3.2017		Estimated		Actual at 23.3.2017							
	Units	Cost	Unit	£	Units	Cost	Unit	£	Units	Cost	Unit	£	Units	Cost	Unit	£	Units	Cost	Unit	£	Units	Cost	Unit	£						
Statutory & Review	10	450.00	15	675.00	-	-	3	123.00	20	730.00	25	912.50	20	640.00	24	768.00	-	-	30	780.00	3	45.00	2	30.00	53	1,865.00	99	3,288.50	1,423.50	
Receipts & Payments	2	90.00	-	-	-	-	-	-	5	182.50	-	-	30	960.00	82	2,624.00	-	-	-	-	-	-	-	-	37	1,232.50	82	2,624.00	1,391.50	
Insurance	1	45.00	-	-	-	-	-	-	2	73.00	-	-	-	-	-	-	-	-	-	-	-	-	-	3	118.00	-	-	(118.00)		
Assets	10	450.00	20	900.00	-	-	-	-	40	1,460.00	43	1,569.50	40	1,280.00	24	768.00	-	-	-	-	-	-	-	-	90	3,190.00	87	3,237.50	47.50	
Liabilities	6	270.00	-	-	-	-	-	-	10	365.00	-	-	93	2,976.00	138	4,416.00	-	-	-	-	-	-	-	-	109	3,611.00	138	4,416.00	805.00	
Landlords	1	45.00	-	-	-	-	-	-	4	146.00	-	-	2	64.00	6	192.00	-	-	-	-	-	-	-	-	7	255.00	6	192.00	(63.00)	
Trading	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Debtenture Holder	1	45.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	45.00	-	-	(45.00)		
General Administration	10	450.00	10	450.00	-	-	-	-	20	730.00	41	1,496.50	30	960.00	54	1,728.00	-	-	-	-	-	-	-	-	60	2,140.00	105	3,674.50	1,534.50	
Pre-Apprt Creds Meetings	5	225.00	5	225.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5	225.00	5	225.00	-	-	
Appointment	20	900.00	20	900.00	-	-	-	-	16	584.00	16	584.00	15	480.00	15	480.00	-	-	-	-	-	-	-	-	51	1,964.00	51	1,964.00	-	-
Planning & Strategy	-	-	-	-	-	-	-	-	12	438.00	-	-	4	128.00	-	-	-	-	-	-	-	-	-	-	16	566.00	-	-	(566.00)	
Post Appointment Creds Mtngs	10	450.00	15	675.00	-	-	-	-	-	-	-	-	1	32.00	-	-	-	-	-	-	-	-	-	11	482.00	15	675.00	193.00		
Pension Review	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6	192.00	-	-	-	-	-	-	-	-	-	6	192.00	192.00		
Investigations	10	450.00	-	-	-	-	-	-	20	730.00	7	255.50	20	640.00	29	928.00	-	-	-	-	-	-	-	-	50	1,820.00	36	1,183.50	(636.50)	
Total	86	3,870.00	85	3,825.00	-	-	3	123.00	149	5,438.50	132	4,818.00	255	8,160.00	378	12,096.00	-	-	30	780.00	3	45.00	2	30.00	493	17,513.50	630	21,672.00	4,158.50	
Average Hourly Rate (£)	450.00	450.00	-	410.00	-	-	-	-	-	365.00	365.00	320.00	320.00	-	-	150.00	150.00	-	-	260.00	150.00	-	-	150.00	-	355.24	344.00	-	-	
All Units are 6 minutes																														

DESCRIPTION OF TIME SPENT BY CATEGORY

Statutory and Review

This category of activity encompasses work that the Joint Liquidators have undertaken for both statutory and case management purposes during the period covered by this report. Whilst this work may not directly result in any monetary value for Creditors, it serves to ensure that the case is managed efficiently and resourced appropriately, which will be of benefit to all Creditors. The work to be carried out under this category includes the following:

- Case management reviews. These reviews are carried out periodically throughout the life of the case. In the early stages of the case this has involved weekly team meetings to discuss and agree case strategy and a month 1 review by the firm's Compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case progresses we will as a minimum carry out six monthly reviews to ensure that the case is progressing as planned.
- Allocation of staff, management of staff, case resourcing and budgeting. In general, efforts have been made to keep case costs to a minimum where possible, however due to the complexities surrounding the unique nature of the Company's business this case has necessitated ongoing attendance by senior members of staff.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice;
- The team is required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by Creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. The relevant report on all directors has been submitted in this case.
- Review of directors' sworn statement of affairs and filing of document at Companies House in accordance with statutory requirements has been carried out.

Receipts and Payments

Although this category of work will not necessarily result in a direct financial benefit for Creditors, expending time on the Company's Receipts and Payments is an essential part of the Liquidation of the case. During the period covered by this report, the Joint Liquidators have expended time in closely monitoring case bank accounts, (which is essential to ensure that bank interest is maximised where possible); ensuring that estate expenses are properly managed and kept to a minimum and ensuring that amounts payable to Creditors are identified and distributed promptly.

Further work has included the following:-

- Managing estate expenses.
- Opening of case bank account.
- Management of case bank account to ensure compliance with relevant risk management procedures;
- Regular review of case bank account by senior member of staff.
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports.
- The timely completion of all post appointment tax and VAT returns by the Joint Liquidators, as required by law.

Insurance, Bonding and Pensions

The Joint Liquidators are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company Creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of Creditor.

- Review to identify any pre-appointment insurance claims.
- Periodic review of insurance requirements over physical assets, to minimise costs to the estate;
- Calculation and request of Joint Liquidators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all liquidations and is essentially an insurance policy to protect Creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured Creditors;
- Periodic review of bonding requirements to ensure that Creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice;
- Review to identify any pension scheme or related issues, including reviewing financial records and checks with the Pension Protect Fund and Auto Enrolment Service. Following verification, no pension scheme has been identified.

Assets

The Joint Liquidators have expended time in dealing with the following matters during the period covered by this Report:-

- Establishing and developing strategy for realisation of Company assets;
- Review of any physical assets of value;
- Liaising with ROT and third party claimants;
- Liaising with Company's bankers regarding pre-appointment bank accounts and securing credit balance.

Liabilities

The Joint Liquidators have expended time in dealing with matters of both a statutory and non-statutory nature in dealing with the Company's liabilities during the period covered by this report:-

Statutory

- Processing of claims from the Company's Creditors – at this stage claims are being registered in anticipation of a future dividend albeit no formal adjudication will take place until a return becomes available to that class of Creditor.
- Liaising with Creditors and dealing with Creditors enquires;
- Preparation, review and submission of pre-appointment tax and VAT returns.
- Preparation and submission of periodic progress reports to Creditors.

General Administration

The Joint Liquidators have taken the following action with regards to General Administration of the case during the period covered by this report:

- General planning matters;
- Setting up and maintaining the Joint Liquidators records;
- Arranging collection and storage of company records; and
- Dealing with general correspondence and communicating with directors and shareholders.

Appointment

- Statutory notifications to Creditors and other interested parties following the Liquidators' appointment as required by law;
- Preparation of case plan; and
- Formulation of case strategy, including recording of any strategic decisions.

Post Appointment Creditors' Meetings

- Preparation of Fees Estimate and Statement of Likely Expenses as required by the Insolvency Rules 1986 (as amended); and
- Convening a meeting by correspondence to agree Fees Estimate with appropriate body of Creditors; reporting on outcome of voting.

Investigations

- Collecting and reviewing the Company's records.
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the Companies Directors Disqualification Act 1986.

APPENDIX D

SUMMARY OF JOINT LIQUIDATORS' EXPENSES FROM 24 MARCH 2016 TO 23 MARCH 2017

Standard Expenses

Type	Charged by	Description	Estimated amount £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	BTC	Electronic client verification	10	10	10	Nil
Bond Fee	Lloyds Underwriters	Insurance bond	40	40	40	Nil
Company Searches	Companies House	Extraction of company information from Companies House	5	Nil	Nil	Nil
Document Hosting	Pelstar Limited	Hosting of documents for creditors	7	7	7	Nil
Software Licence Fee	Pelstar Limited	Case management system licence fee	87	87	87	Nil
Statutory Advertising	Courts	Advertising	323	242	242	Nil
Storage Costs	Storage 2000 Limited	Storage of books and records	250	254	254	Nil
		Total standard expenses	722	640	640	Nil

Case Specific Expenses

Type	Charged by	Description	Estimated amount £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Agent's Fees	Lambert Hampton Smith	Costs of valuing and realising assets	1,100	1,864	1,864	Nil
IT Equipment	MAM Software Limited	IT Equipment rental fee	Nil	411	411	Nil
		Total case specific expenses	1,100	2,275	2,275	Nil

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters as set out in a fees estimate, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard	Complex
	£	£
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount
AML checks	Electronic client verification in compliance with the Money Laundering Regulations 2007	£5.00 plus VAT per individual
Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of	£10.00 to £1,200.00 dependent on value of assets within case

A & R Autospare (Bristol) Limited – In Creditors' Voluntary Liquidation

	the IP																									
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors	<table> <tr> <th>Type</th><th>100 creds</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td>£10 p.a. or £25 for life of case</td><td></td></tr> </table>	Type	100 creds	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £160.00 3-6 months £240.00 6-12 months £390.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£83.02 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges 3																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 disbursements.

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to 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 (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) 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. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£70.40 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.