

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

07372061

Name of Company

Cobus Coach Refurbishment Limited

We


Rob Sadler, 11 Clifton Moor Business Village, James Nicolson Link, Clifton Moor, York, YO30 4XG

Andrew Mackenzie, 11 Clifton Moor Business Village, James Nicolson Link, Clifton Moor, York, YO30 4XG

the liquidators 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 20/02/2016 to 19/02/2017

Signed



Date

18/4/17

Begbies Traynor (Central) LLP
11 Clifton Moor Business Village
James Nicolson Link
Clifton Moor
York
YO30 4XG

Ref: CO308CVL/RS/AGM/MJ/DAH

FRIDAY



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COMPANIES HOUSE

Cobus Coach Refurbishment Limited
(in Creditors Voluntary Liquidation)

Progress Report

Period: 20 February 2016 to 19 February 2017

Important Notice

This Progress Report has been produced solely to comply with our statutory duty to report to *creditors and members on the progress of the liquidation*.

The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Cobus Coach Refurbishment Limited (In Creditors Voluntary Liquidation)
"the liquidation"	The appointment of Joint Liquidators pursuant to Section 98 of the Act on 20 February 2013
"the liquidators", "we", "our" and "us"	Rob Sadler & Andrew Mackenzie of Begbies Traynor (Central) LLP 11 Clifton Moor Business Village, James Nicolson Link, Clifton Moor, York, YO30 4XG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name:	Cobus Coach Refurbishment Limited
Company registered number:	0737 2061
Company registered office:	11 Clifton Moor Business Village, James Nicolson Link, Clifton Moor, York, YO30 4XG
Former trading address:	Carnaby Industrial Estate, Lancaster Road, Carnaby, Bridlington, YO15 3QY

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	20 February 2013
Date of liquidators' appointment:	20 February 2013
Changes in liquidator (if any):	Andrew Mackenzie replaced Andrew Clay as Joint Liquidator on 17 December 2014 by Order of the Court

4. PROGRESS DURING THE PERIOD

Attached (at Appendix 1) is our abstract of receipts and payments for the period from 20 February 2016 to 19 February 2017.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website – <http://www.begbies-traynorgroup.com/work-details>.

Under the following headings, we have explained the specific work that has been undertaken on this particular case – not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the attached Time Costs Analysis – there is an analysis for the period of the Progress Report, and also an analysis of time spent on the case since the date of our appointment.

Please note that the details below relate to the work undertaken in the period of the report only – our previous Progress Reports contains details of the work undertaken since our appointment.

General case administration and planning

It is necessary to maintain records to demonstrate how the case was administered, and to document the reasons for any decisions that materially affect the case.

Members of our staff have therefore undertaken general administrative, banking and cashiering duties.

Whilst this work has not benefitted creditors, it is a necessary part of the general control of the case.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Act and Rules require Liquidators to produce a Progress Report within two months after each anniversary of their appointment, which is filed at Companies House and made available to all creditors and members.

They are also required to ensure that the case is adequately bonded (an insurance to protect the interests of unsecured creditors in the asset realisations on a case).

When all matters have been concluded, they are required to prepare a draft Final Report and account of the liquidation, which is also made available to all creditors and members – final meetings of members and creditors are then convened for the purpose of considering the report, the Notice of which is advertised in the London Gazette.

We have complied with / carried out these duties during the period of this Progress Report.

Although this work has not benefitted creditors financially, it was necessary in accordance with insolvency legislation.

Investigations

Liquidators have a statutory duty to investigate the conduct of the directors, and any person they consider to be (or have been) a shadow or de facto director during the period of three years before the date of liquidation, in relation to their management of the affairs of the company and the causes of its failure.

They are also obliged to submit confidential reports to the Department for Business, Innovation and Skills.

We can confirm that we have undertaken the above.

Realisation of assets

Bank Interest

The only receipt during the period related to bank interest totalling £2.17 following the investment of funds.

Book Debts

Efforts to collect the unpaid book debts have continued throughout the period, with solicitors (Ison Harrison) being instructed to act on our behalf. Unfortunately, all outstanding accounts have been disputed and due to a lack of evidence to challenge the disputes, and insufficient funds available to issue any formal legal proceedings, we have made the decision to write off all the remaining accounts.

Dealing with all creditors' claims (including employees), correspondence and distributions

We have corresponded with creditors as necessary, inputting details of claims upon receipt.

Please refer to the following section for further information regarding claims received, and dividend prospects.

Other matters which includes meetings, tax, litigation, pensions and travel

This category includes a number of tax-related formalities, which are required to be undertaken by statute.

Whilst this work has not financially benefitted creditors, it has been necessary in order to comply with statutory requirements in respect of reporting to H M Revenue & Customs.

5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the directors' Statement of Affairs) together with potential dividend prospects are as follows: -

Secured creditor

As outlined in the Directors Report, the Company had one secured creditor (HSBC Bank PLC) who was estimated to be owed the sum of £147,770. There is no prospect of a return to the secured creditor as all funds have been allocated or used in defraying the liquidation costs and expenses.

Preferential creditors

Preferential claims of employees (for arrears of holiday pay) were estimated at £2,500. There is no prospect of a return to the preferential creditors as all funds have been allocated or used in defraying the liquidation costs and expenses.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Details of how the prescribed part for unsecured creditors is calculated were provided in our progress report for the period 20 February 2013 to 19 February 2014.

Unsecured creditors

Unsecured creditors were estimated at £161,991.

There is no prospect of a return to the unsecured creditors as all funds have been allocated or used in defraying the liquidation costs and expenses.

6. REMUNERATION & DISBURSEMENTS

Pre-Appointment costs (i.e. Statement of Affairs fee)

The fee of Begbies Traynor (Central) LLP in relation to convening the meetings of members and creditors, and assisting the directors in the preparation of the Statement of Affairs, was agreed by creditors at the first Meeting of Creditors at £6,500 plus VAT.

This fee has been drawn in full.

Post Appointment costs (i.e. Joint Liquidators' Remuneration)

Our remuneration has been fixed by a resolution passed at the Meeting of Creditors (held pursuant to Section 98 of the Act) by reference to the time properly given by us (as Liquidators) and the various grades of our staff, calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation.

Our time costs for the reporting period (i.e. from 20 February 2016 to 19 February 2017) amount to £1,372 which represents 7.5 hours at an average rate of £183 per hour.

We have drawn the total sum of £17,000 plus VAT on account of our remuneration, against total time costs of £19,356 incurred since the date of our appointment.

Joint Liquidators' Disbursements

We are authorised to draw disbursements, including disbursements for services provided by our firm (defined as "Category Two" disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the Meeting of Creditors (convened pursuant to Section 98 of the Act) and which are attached at Appendix 2.

We have incurred and drawn "Category Two" disbursements in the reporting period in the sum of £29.

Details of the "Category Two" disbursements (and also disbursements that should be treated as "Category Two" disbursements) incurred in the reporting period and since the date of appointment are shown at Appendix 2.

Time Costs Analysis

The following further information in relation to our time costs and disbursements is set out in the attached (at Appendix 2):

- Table of time spent and charge-out value for the reporting period (i.e. from 20 February 2016 to 19 February 2017);
- Table of total time spent and charge-out value for the period of appointment (i.e. from 20 February 2013 to 19 February 2017); and
- Begbies Traynor (Central) LLP's charge-out rates & policy for re-charging disbursements.

In addition to the time costs information disclosed (at Appendix 2) for the period of this Progress Report, our previous Progress Reports contained details of the time costs we had incurred as at the date of each report.

Please note that each analysis provides details of the work undertaken by the Liquidators and their staff following their appointment only.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides

Alternatively, if you require a hard copy of the Guide, please contact my office and we will arrange to send you a copy.

Subcontractors

Agent's fees (Landwood Group)

Agents have assisted with the realisation of the Company's chattel assets and stock.

Their costs in doing so total £7,502 plus VAT, which have been paid in full.

Legal Fees (Ison Harrison)

Solicitors were assisting with the collection of the Company's remaining book debt.

Although costs have been incurred by the solicitors, no fee has been paid to date.

Accountant's fees (Asquith & Co)

Accountants have been instructed to finalise the Company's payroll records.

Their costs in doing so total £1,000 plus VAT, which have been paid in full.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this Progress Report is attached (at Appendix 3) together with a cumulative statement showing the total expenses incurred since the date of our appointment.

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

We will continue to perform periodic reviews, in order to ensure that the statutory requirements of the relevant legislation are complied with.

Compliance with the Insolvency Act, Rules and best practice

Pursuant to The Insolvency Act 1986 and the Insolvency Rules 1986 (together with subsequent amendments) over the remaining course of the administration of this estate, we will:

- ensure that the case is adequately bonded (an insurance to protect the interests of unsecured creditors in the potential asset realisations on a case); and
- produce a draft Final Report and account of the liquidation, making same available to all members and creditors.

Final meetings of members & creditors will then be convened for the purpose of considering the draft Final Report, the Notice of which will be advertised in the London Gazette.

Investigations

We do not anticipate any further investigation work.

Realisation of assets

There will be no further realisations and steps will now be taken to conclude the liquidation.

Dealing with all creditors' claims (including employees), correspondence and distributions

We will continue to correspond with creditors as necessary, inputting details of claims upon receipt.

Other matters which includes meetings, tax, litigation, pensions and travel

We will ensure that all tax-related formalities are adhered to, in order to comply with statutory requirements in respect of reporting to H M Revenue & Customs.

How much will this further work cost?

Clearly there is a cost implication in completing the remaining balance of work above, however, any fees payable for the same are restricted to the balance of funds within the estate.

Expenses

We are not aware of any further expenses that will be required.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

A Liquidator has a duty to enquire into the affairs of an insolvent company, to determine its property and liabilities, and to identify any actions which could lead to the recovery of funds.

In addition, as explained in the report circulated at the Meeting of Creditors convened pursuant to Section 98 of the Act (such report having also been sent to creditors following the meeting) a Liquidator is also required to consider the conduct of the company's directors, and to make an appropriate submission to the Department for Business Innovation and Skills.

We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company, and considered any potential recoveries for the estate in this respect.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties (other than mentioned within the Director's Report or our earlier Progress Reports).

10. CREDITORS' RIGHTS

Right to request further information

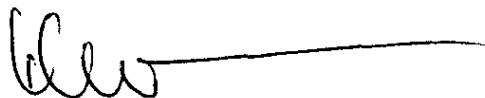
Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this Progress Report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the Court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this Progress Report.

Right to make an Application to Court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the Court) may, within eight weeks of receipt of this Progress Report, make an Application to Court on the grounds that the remuneration charged or the expenses incurred during the period of this Progress Report are excessive or, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

We will report again in approximately twelve months' time, or at the conclusion of the liquidation, whichever is the sooner.

A handwritten signature in black ink, consisting of stylized cursive letters followed by a long horizontal line.

Rob Sadler
Joint Liquidator

18 April 2017

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 20 February 2016 to 19 February 2017

Cobus Coach Refurbishment Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 20/02/2016 To 19/02/2017 £	From 20/02/2013 To 19/02/2017 £
	ASSET REALISATIONS		
10,000.00	Plant & Machinery	NIL	23,940.00
1,500.00	Stock	NIL	1,500.00
24,646.00	Book Debts	NIL	8,525.56
Uncertain	Directors' Loan Accounts	NIL	NIL
	Sundry Refund	NIL	178.43
	Bank Interest (Gross)	2.17	15.65
	Rates refund	NIL	1,405.37
		<u>2.17</u>	<u>35,565.01</u>
	COST OF REALISATIONS		
	Specific Bond	10.00	90.00
	Statement of Affairs Fee	NIL	6,500.00
	Liquidators' Remuneration	1,500.00	17,000.00
	Accountancy Fees	NIL	1,000.00
	Debt Collection Costs	NIL	451.48
	Agent's/Valuer's Fees	NIL	7,502.22
	Statutory Searches	3.00	6.00
	Travel & Subsistence	28.98	138.58
	Room Hire	NIL	25.00
	Storage Costs	15.27	15.27
	Statutory Advertising	NIL	225.00
	Insurance of Assets	NIL	106.00
	Business Rates Audit Fees	NIL	351.34
		<u>(1,557.25)</u>	<u>(33,410.89)</u>
	PREFERENTIAL CREDITORS		
(2,500.00)	Employees (Wage Arrears/Holiday Pay)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	FLOATING CHARGE CREDITORS		
(147,770.00)	HSBC Bank Plc (Debenture 03/03/11)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(36,839.00)	Trade & Expense Creditors	NIL	NIL
(75,000.00)	Employees (Wages/Redundancy/Notic	NIL	NIL
(24,387.00)	HMRC (PAYE/NIC)	NIL	NIL
(25,765.00)	HMRC (Corporation Tax)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(276,215.00)		<u>(1,555.08)</u>	<u>2,154.12</u>
	REPRESENTED BY		
	VAT Receivable		0.95
	Bank (Current Account)		2,153.17
			<u>2,154.12</u>

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charge-out rates & policy for re-charging expenses / disbursements;
- b. Table of time spent and charge-out value for the reporting period (i.e. from 20 February 2016 to 19 February 2017); and
- c. Table of total time spent and charge-out value for the period of appointment (i.e. from 20 February 2013 to 19 February 2017).

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting.
- Car mileage is charged at the rate of 45p per mile.

(B) In addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

(C) The following items of expenditure which relate to services provided by an entity within the Begbies Traynor Group are to be charged to the case (subject to approval):

- Asset Appraisal and Disposal services are provided by BTG Asset Consulting, a division of BTG Consulting LLP, which is part of Begbies Traynor Group plc. Due to the varied nature of the work carried out, asset Appraisal and Disposal costs are charged on one or more of the following bases and are paid from asset realisations of the company:

1. Time costs of £125 per hour
2. 10% of realisations in respect of asset sales
3. A fixed charge fee in respect of specialised advice

(D) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the York and Leeds offices as at the date of this report are as follows:

Grade of staff	Standard charge-out rate from 1 May 2011 until further notice (£ per hour)
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in 6 minute units.

Staff Grade	Consultant/Partner											
General Case Administration and Planning	Case planning											
Compliance with the Insolvency Act, Rules and best practice	Administration						0.1	0.4	0.5	1.0	112.50	Average hourly rate £ 0.00
	Total for General Case Administration and Planning						0.1	0.4	0.5	1.0	112.50	112.50
	Appointment											
	Banking and Bonding						0.6		1.2	1.8	213.00	118.33
	Case Closure											0.00
Investigations	Statutory reporting and statement of affairs	1.0	1.2					2.1		4.3	998.00	232.09
	Total for Compliance with the Insolvency Act, Rules and best practice	1.0	1.2				0.6	2.1	1.2	6.1	1,211.00	198.52
	CUDA and Investigations											0.00
	Total for Investigations											0.00
	Debt collection											0.00
Realisation of assets	Property, business and asset sales											0.00
	Retention of Title/Third party assets											0.00
	Total for Realisation of assets											0.00
	Trading											0.00
	Total for Trading											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured											0.00
	Others											0.00
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions											0.00
	Meetings											0.00
Other matters which includes meetings, tax, litigation, pensions and travel	Other											0.00
	Tax											0.00
	Litigation						0.2		0.2	0.4	49.00	122.50
	Total for Other matters						0.2		0.2	0.4	49.00	122.50
	Total hours by staff grade:	1.0	1.2				0.9	2.6	1.9	7.5		
	Total time cost by staff grade:	398.00	372.00				121.50	275.00	299.00		1,372.50	
	Average hourly rate £:	398.00	310.00	0.00	0.00		135.00	110.00	110.00			183.00
	Total fees drawn to date £:										17,000.00	

[illegible]

STATEMENT OF LIQUIDATORS' EXPENSES

Period: 20 February 2016 to 19 February 2017

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Statutory Searches	Companies House	3	3	Nil
Storage Costs	Paperwise	15	15	Nil

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Accountancy fees	Asquith & Co	1,000.00
Debt Collection costs	Ison Harrison Solicitors	451.48
Agent's fee	Landwood Group	7,502.22
Room Hire	Business Support York & North Yorkshire Ltd.	25.00
Insurance of Assets	Marsh Limited	106.00
Business Rates Audit Fees	BWB	351.34