

AM10

Notice of administrator's progress report



Companies House

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16/11/2019

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COMPANIES HOUSE

1 Company details

Company number 0 8 4 8 0 9 1 9

Company name in full Aquila Truck Centres (Italia) Limited

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

2 Administrator's name

Full forename(s) Allan Watson

Surname Graham

3 Administrator's address

Building name/number 35 Newhall Street

Street

Post town Birmingham

County/Region

Postcode B 3 3 P U

Country

4 Administrator's name ①

Full forename(s) Steven

Surname Muncaster

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number The Chancery

Street 58 Spring Gardens

Post town Manchester

County/Region

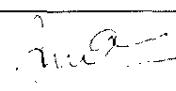
Postcode M 2 1 E W

Country

② Other administrator
Use this section to tell us about
another administrator.

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Notice of administrator's progress report

6	Period of progress report															
From date	d	1	d	6	m	0	m	4	y	2	y	0	y	1	y	9
To date	d	1	d	5	m	1	m	0	y	2	y	0	y	1	y	9
7	Progress report															
<input checked="" type="checkbox"/> I attach a copy of the progress report																
8	Sign and date															
Administrator's signature	Signature X  X															
Signature date	d	1	d	3	m	1	m	1	y	2	y	0	y	1	y	9

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Notice of administrator's progress report



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Matthew.Dunnill**

Company name **Duff & Phelps Ltd.**

Address
The Chancery
58 Spring Gardens

Postcode **Manchester M2 1EW**

County/Region

Postcode

Country

Dx

Telephone

+44 (0) 161 827 9000



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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Progress Report to Creditors

15 November 2019

**Aquila Truck Centres (Italia)
Limited**

(In Administration)

*Joint Administrators' Progress Report to Creditors
For the period from 16 April 2019 to 15 October 2019*

**Duff & Phelps Ltd.
The Chancery
58 Spring Gardens
Manchester
M2 1EW**

Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agent / LSH	Lambert Smith Hampton Group Limited, Tower Wharf, Cheese Lane, Bristol, BS2 0JJ, independent agents instructed by the Joint Administrators to conduct a valuation of the Company's business and assets
the Appointment Date	16 October 2018, being the date of appointment of the Joint Administrators
Avonmouth	The Company's former leasehold trading premises at Cabot Park, Poplar Way West, Avonmouth, Bristol, BS11 0QL, for which the business and assets were sold to Revival as part of the sale on 16 October 2018
the Bank/ RBS	The Royal Bank of Scotland plc, with whom the Company banked prior to the Appointment Date
Category 1 Disbursements	The Joint Administrators' external and incidental costs in dealing with the Administration
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Company	Aquila Truck Centres (Italia) Limited (In Administration) (Company Number: 08480919) whose registered office is Unit 5, Wheelock Business Court, Winterley, Sandbach, CW11 4RQ
Credebt	Credebt Ltd, a debt collection agent engaged by the Joint Administrators to collect-out the remainder of the Company's book debt ledger
CVL	Creditors' Voluntary Liquidation
DBEIS	Department of Business, Energy, Innovation and Skills
the Directors	Gary Mullaney and William Lloyd, the directors of the Company as at the Appointment Date
Duff & Phelps	Duff & Phelps Ltd., The Chancery, 58 Spring Gardens, Manchester, M2 1EW
EFP	Estimated Financial Position, being the Joint Administrators' estimate of the Company's financial position as at the Appointment Date in the absence of any Statement of Affairs received from the Directors
the Factored Book Debts	The proportion of debts which, as part of the sale transactions, remain collectable into the invoice discounting facility provided by STB

Gloucester	The Company's former leasehold trading premises at Bristol Road, Gloucester, GL2 5YB, for which the business and assets were sold to SAML as part of the sale of the business and assets
HMRC	HM Revenue & Customs
Iveco	Iveco Limited, the holder of fixed and floating charges over the Company's assets and the provider of a franchising agreement prior to the Appointment Date
Iveco Retail	Iveco Retail Limited, a company associated with Iveco Limited, the holder of fixed and floating charges over the Company's assets and the provider of a franchising agreement prior to the Appointment Date
the Joint Administrators	Allan Graham and Steven Muncaster of Duff & Phelps
the Non-Factored Book Debts	The book debts not subjected to the invoice discounting facility provided by STB, which remain an asset of the Company
Prescribed Part	Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential creditors
the Previous Report	The Joint Administrators' Progress Report to Creditors dated 14 May 2019
the Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals dated 23 October 2018
the Purchasers	Revival Solutions Group Ltd t/a South West Truck & Van (Company Number: 05362804) and Sandbach Asset Management Limited (Company Number: 09377567), being the purchasers of the business and certain assets of the Company
Revival	Revival Solutions Group Ltd t/a South West Truck & Van (Company Number: 05362804), the purchaser of the business and certain assets of the Company's former Swindon and Avonmouth sites
the Reporting Period	The period from 16 April 2019 to 15 October 2019
the Rules	The Insolvency (England and Wales) Rules 2016 (as amended)
SAML	Sandbach Asset Management Limited, (Company Number: 09377567), the purchaser of part of the business and certain assets of the Company's Gloucester site
the Secured Creditors	STB and Iveco, the Company's secured creditors
the Side Letter	The agreement entered into by the Company and SAML, whereby SAML will assist with the collection of Factored Book Debts for the benefit of the Administration estate

SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the acquisition of assets of insolvent companies by directors and/or associated parties
SIP 16	Statement of Insolvency Practice 16 – Industry best practice for Insolvency Practitioners in relation to the requirement for disclosure of information with respect to a 'Pre-Packaged' sale of business and/or assets of the Company
the SIP 16 Report	The Joint Administrators' SIP 16 Disclosure Report to Creditors dated 23 October 2018
SOA	Statement of Affairs, documentation provided by the Directors outlining the Company's financial position as at the Appointment Date
SPAs	The Sale and Purchase Agreements made between the Company and the Purchasers dated 23 October 2018
STB	Secure Trust Bank PLC, One Arleston Way, Solihull, B90 4LH, the provider of the Company's invoice discounting facility and the holder of fixed and floating charges over the Company's assets
Swindon	The Company's former leasehold trading premises at Marshgate Trading Estate, Stratton Road, Swindon, SN1 2PA, for which the business and assets were sold to Revival as part of the sale on 16 October 2018
TP / the Solicitors	Knights Professional Services Limited t/a Turner Parkinson, Hollins Chambers, 64A Bridge Street, Manchester, M3 3BA, independent solicitors acting on behalf of the Joint Administrators
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006

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5. Proof of Debt Form

Names of Joint Administrators:	Allan Graham Steven Muncaster
Date of Appointment:	16 October 2018
Date of Report:	15 November 2019
Appointed by:	Secure Trust Bank PLC One Arleston Way Solihull B90 4LH
Court reference:	Manchester County Court no. 2980 of 2018

1. Introduction

- 1.1 The Joint Administrators were appointed on the Appointment Date by STB in its capacity as qualifying floating charge holder, in accordance with Paragraph 14 of the Act.
- 1.2 In accordance with Paragraph 100(2) of Schedule B1 to the Act, the functions of the Joint Administrators may be exercised by either or both of the Joint Administrators.
- 1.3 The purpose of this report is to provide an update to creditors regarding the progress of the Administration since the Appointment Date.
- 1.4 This report should be read in conjunction with the SIP 16 Report, the Proposals and the Previous Report.
- 1.5 Statutory information on the Company is attached at Appendix 1.

2. Joint Administrators' Report and Statement of Proposals

- 2.1 In accordance with Paragraph 51 of Schedule B1 to the Act, a decision of the Company's creditors was sought to approve the Proposals by way of deemed consent in accordance with Rule 15/7 of the Rules. No objections were received to the Proposals nor did any creditors requisition a meeting; consequently, the Proposals were deemed to have been approved by the general body of creditors at 23:59 on 7 November 2018.
- 2.2 As advised in the Proposals, the Joint Administrators must perform their functions with the purpose of achieving one of the following hierarchical objectives:
 - Rescuing the Company as a going concern;
 - Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
 - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.3 In accordance with Paragraph 49(2) of Schedule B1 to the Act, the Joint Administrators note the following:
 - The first objective has not been achieved as there were insufficient funds and assets available to enable the Company to be rescued as a going concern;
 - The second objective has been achieved as a result of the sale of business information, contracts, intellectual property, Company records (excluding those pertaining to VAT), work in progress, fixtures, fittings and equipment, parts stock, plant and machinery, goodwill and motor vehicles at a much higher price than would have been achieved on a break-up basis if the Company was wound up; and
 - The second objective has been further achieved in that all employees transferred across to SAML and Revival respectively under TUPE regulations as part of the sale transactions; therefore, there are not expected to be any preferential claims in the Administration.

3. Progress of the Administration

- 3.1 The manner in which the affairs and business of the Company have been managed since the Appointment Date, and will continue to be managed and financed, are set out below.

Sales of the Business and Assets

- 3.2 The business and assets of both Avonmouth and Swindon were sold to Revival whilst the assets pertaining to Gloucester were sold to SAML on the Appointment Date.
- 3.3 Full disclosure of the transactions in accordance with SIP 16, together with the relevant disclosures in accordance with SIP 13 in respect of SAML, are included within the SIP 16 Report, the Proposals and the Previous Report previously issued to Creditors.
- 3.4 Summaries of the sale transactions are detailed below:

Avonmouth and Swindon

- 3.5 The business and assets pertaining to Avonmouth and Swindon were acquired by Revival.
- 3.6 The total sale consideration due from Revival for all assets with the exception of stock was £43,500.
- 3.7 At the point of sale, the value attributed to stock was uncertain and subject to a stock valuation which was subsequently finalised by LSH in November 2018. The sum due from Revival in respect of stock was agreed upon as £61,876. Total sale consideration due from Revival is therefore £105,376.
- 3.8 The first instalment of sale consideration was due from Revival on completion and the 16th day of each calendar month thereafter.
- 3.9 A total of £17,784 was received in the Reporting Period which was the final balance due on the total consideration of £105,376.

Gloucester

- 3.10 The purchaser of the assets pertaining to Gloucester is SAML.
- 3.11 SAML is a limited company connected to the Company by way of common directorships.
- 3.12 Gary Mullaney personally guaranteed the Companies' STB and Iveco facilities. Furthermore, we understand that STB are providing working capital facilities to SAML.
- 3.13 The total sale consideration due from SAML in respect of the Gloucester sale was £33,499 with the exception of stock.
- 3.14 At the point of sale, the value attributed to stock was uncertain and subject to a stock valuation which was subsequently finalised by LSH in November 2018. The sum due from SAML in respect of stock was agreed upon as £22,049. Total sale consideration due from SAML is therefore £55,548.
- 3.15 No sale consideration was due from SAML on completion. The first instalment was due on 7 November 2018 and the 7th day of each calendar month thereafter up to and including 7 August 2019.

- 3.16 Sale consideration totaling £28,219 has been paid into the Administration estate by SAML to date. No funds have been received from SAML in the Reporting Period. The instalments due on 7 April 2019 through to 7 August 2019 are now overdue, allocated as follows:

Asset	Due (£)	Paid (£)	Outstanding (£)
the Business Information	1	1	-
the Contracts	1	1	-
the Fixtures, Fittings and Equipment, Plant and Machinery	1	1	-
the Goodwill	1	1	-
the Intellectual Property	1	1	-
the IT Equipment	1,500	750	750
Plant & Machinery	16,795	8,398	8,398
the Motor Vehicles	6,100	3,050	3,050
the Stock	22,049	11,470	10,579
WIP	9,099	4,549	4,550
Total	55,548	28,219	27,326

- 3.17 The Joint Administrators are currently negotiating with SAML for the repayment of the outstanding balance due, and a possible extension to the original payment plan. An update will be provided in the next progress report.

Securities

- 3.18 As detailed in the Proposals, all elements of sale consideration due from SAML and Revival were on a deferred basis with the exception of the one instalment due from Revival on completion.
- 3.19 In this regard, the Joint Administrators sought security by way of debentures over all of SAML and Revival's fixed and floating charge assets.
- 3.20 The debentures secure all liabilities due to the Company from SAML and Revival respectively under the SPAs and the licences to occupy the premises at Avonmouth, Swindon and Gloucester.
- 3.21 Upon repayment of all liabilities secured under the debentures, the debentures will be satisfied in full.
- 3.22 The sale consideration due from Revival has been received in full; however, the Avonmouth lease position is ongoing. Similarly, SAML's lease position is finalised whilst deferred sale consideration remains outstanding. The debentures therefore remain in place.

Debtors

Factored Book Debts

- 3.23 As detailed in the Proposals, STB granted the Company an invoice discounting facility in exchange for a debenture, including fixed and floating charges over all of the Company's assets, created on 5 May 2015.

- 3.24 Factored Book Debts are debts against which STB has provided funding to the Company and have been assigned to STB.
- 3.25 The gross ledger value at the Appointment Date was approximately £1.16 million including work in progress of £250,000 assigned to STB. This work in progress also contained certain Iveco warranty claims operated within its ledger. Any realisations in relation to this work in progress will be credited to the STB facility.
- 3.26 The quantum of STB's indebtedness at the Appointment Date was estimated to be £660,970, subject to accruing interest and charges.
- 3.27 Collections have continued during the Reporting Period and total £177,326. Creditors should note that during the Reporting Period the Joint Administrators have learnt that the total sum of £183,073 has been incorrectly paid into the Company's STB Facility. As at the end of the Reporting Period, the value of the gross ledger has reduced to £436,017 and the sum outstanding to STB is currently £20,102 before the application of any termination charges.
- 3.28 Once collections have been finalised, a full ledger reconciliation will be completed and accounted for in the Administration estate along with a reassignment of the debts to the Administration estate. As collections are paid into the invoice facility directly, they are not reflected in the Receipts and Payments Account at Appendix 2.
- 3.29 In accordance with the Side Letter as detailed in the Proposals, the Directors are assisting with the collection of debts beyond the level of STB's exposure in return for a fee of 25% of the value of any remaining collections. No sums have been paid to the Directors to date as STB are yet to be repaid in full. Any update in this regard will be provided in future progress reports.

Non-Factored Book Debts

- 3.30 At the Appointment Date, the Directors advised there were a number of debtors which were created outside of the invoice discounting facility. Any realisations in this regard are therefore due to the Administration estate.
- 3.31 After completing a full reconciliation of the Company's debtor ledger in March 2019, the Directors confirmed that outstanding non-factored book debts totaled £319,143 and comprised of debts aged over 120 days as at the Appointment Date, many of which are subject to disputes and contras.
- 3.32 TP initially assisted in issuing legal letters to a large number of debtors whose debts were understood to be recoverable.
- 3.33 Given the lack of responsiveness from a number of debtors, the Joint Administrators engaged the services of Credet in the Reporting Period to pursue the remaining debtor balances.
- 3.34 Initial correspondence has been issued to all outstanding debtors however no collections have been made during the Reporting Period.
- 3.35 All realisations and associated costs will be accounted for once collections are completed. Credet are continuing to collect the ledger.
- 3.36 The level of recoverability remains uncertain at this stage and an update will be provided in the next progress report.
-

Iveco Ledger

- 3.37 As detailed in the Proposals and SIP 16 Report, the balance of any sums under the Iveco warranty ledger will be realised in the Administration.
- 3.38 Iveco confirmed in the Reporting Period that all outstanding claims and account adjustments have been applied to the Company's account, and no further movements are expected.
- 3.39 The Joint Administrators have received information from Iveco in the Reporting Period to *establish any residual ledger balance, and it was concluded that a credit balance of £25,910 was due to the Company.* This sum was received in full from Iveco in the Reporting Period as detailed at Appendix 2.
- 3.40 The Joint Administrators accepted the balance of £25,910 from Iveco on a without prejudice basis which does not constitute full and final settlement of the Company's account. The Joint Administrators are currently in the process of reconciling this account to understand if there are any further sums which may potentially be due into the Administration estate.

Licences to Occupy

- 3.41 As part of the sale transactions on 16 October 2018, the Joint Administrators granted licences to the Purchasers to occupy the premises at Avonmouth and Swindon, and Gloucester, respectively. The purpose of such licences was to provide sufficient time for the Purchasers to either 1) assign an existing lease over to themselves, or 2) negotiate and enter into a new lease agreement with a respective landlord simultaneous to the Joint Administrators surrendering any corresponding existing lease between any respective landlord and the Company.
- 3.42 Following completion of the sale transactions, SAML occupied Gloucester whilst Revival occupied both Swindon and Avonmouth.
- 3.43 Licence fees equivalent to sums due to the respective landlords under the existing leases as at the Appointment Date were charged to the Purchasers monthly and in advance. Such funds were remitted to the respective landlords monthly and in arrears.

Gloucester

- 3.44 All licence fees paid to the Gloucester landlord are detailed in the Previous Report. No further fees are due in this regard.
- 3.45 Further details regarding the lease surrender are included in the Previous Report.

Swindon

- 3.46 All licence fees paid to the Swindon landlord and details of the rent deposit realisation are detailed in the Previous Report. No further fees or sums are due in this regard.
- 3.47 Further details regarding the lease surrender are included in the Previous Report.

Avonmouth

- 3.48 The original licence to occupy Avonmouth expired on 15 January 2019. Further time was required between the Avonmouth landlord and Revival to negotiate a new lease therefore, a further licence was granted for the period ending 15 April 2019.

- 3.49 Licence fees equivalent to all sums due under the existing licence to occupy between the Company and the Avonmouth landlord, have been remitted to the Administration estate monthly and in advance.
- 3.50 As previously reported, Revival is yet to enter into a new lease with the Avonmouth landlord. Revival therefore continues to remit sums into the Administration estate in line with the licence fees previously agreed, which are in turn remitted to the Avonmouth landlord.
- 3.51 Fees totaling £40,250 plus VAT for the period from 16 July 2019 to 15 October 2019 inclusive are outstanding as at the end of the Reporting Period and have been requested from Revival. No rents are currently held in the Administration estate as at the end of the Reporting Period. This has since been received outside of the Reporting Period and as such is not shown at Appendix 2.
- 3.52 Remittance of the above sum is in progress and will be remitted to the Avonmouth landlord on receipt. For the avoidance of doubt, such licence fees and rent will continue via the Administration estate until such time that the Avonmouth lease is surrendered.
- 3.53 The Joint Administrators continue to discuss progress of lease negotiations with both Revival and the landlords' agent and will provide an update in the next progress report.

Bank Interest

- 3.54 Total bank interest of £103 has been received in the Reporting Period and is detailed in the Receipts and Payments Account at Appendix 2.

Other Assets

- 3.55 A total of £42,500 has been received during the Reporting Period from the Swindon Landlord in respect of the Company's rent deposit deed.
- 3.56 There are no other known assets to be realised for the benefit of the Administration estate.

4. Dividend Prospects / Prescribed Part

Secured Creditors

STB

- 4.1 In consideration for monies advanced under the invoice discounting facility provided to the Company, the Company granted STB a debenture created on 5 May 2015 which confers fixed and floating charges over all of the Company's assets.
- 4.2 The gross ledger value at the Appointment Date was approximately £1.16 million including work in progress of £250,000 assigned to STB. This work in progress also contained certain Iveco warranty claims operated within its ledger. Any realisations in relation to this work in progress will be credited to the STB facility whilst any balance will be captured as Non-Factored Book Debts.
- 4.3 As at the Appointment Date, the outstanding indebtedness to STB is estimated to be £660,970 excluding contractual interest and charges which continue to accrue. STB will confirm the final sum due once debt collections have completed.

- 4.4 Collections have continued since the Appointment Date. As at the end of the Reporting Period, the value of the gross ledger has reduced to £436,017 and the sum outstanding to STB was £20,102 before the application of any termination charges.
- 4.5 Collections to date are not reflected in the Receipts and Payments Account at Appendix 2 as collections are paid to STB directly.
- 4.6 The Joint Administrators will provide an overview of the factored ledger once the collection process is completed.

Iveco

- 4.7 On 9 July 2013, the Company granted fixed and floating charge security over all of its assets (excluding Factored Book Debts) to Iveco.
- 4.8 Iveco confirmed that as at the Appointment Date, there was no indebtedness due to Iveco. As detailed in section 3 of this report, Iveco's warranty claim ledger has been assigned to STB and will be captured under Factored Book Debts.
- 4.9 Since the Appointment Date, Iveco completed a further reconciliation of its existing client accounts, which extends to any associated entities. Under the terms and conditions of the Company's contract with Iveco, Iveco is eligible to pursue collection of sums due to Iveco Retail.
- 4.10 The reconciliation was completed in the Reporting Period and the application of all remaining transactions to the Company's account concluded that the sum of £25,910 was due to the Administration estate. This sum was received in full in the Reporting Period and is reflected on the Receipts and Payments Account at Appendix 2.
- 4.11 The sum of £25,910 was accepted from Iveco on a without prejudice basis and does not constitute full and final settlement of the Company's account. The Joint Administrators are currently reviewing the account.

Preferential Creditors

- 4.12 Following the sale transactions, all of the Company's former employees transferred to Revival and SAML in accordance with the SPAs and pursuant to TUPE. Accordingly, it is anticipated there will be no preferential claims against the Company.

Prescribed Part

- 4.13 Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential creditors.
- 4.14 The Prescribed Part is calculated as a percentage of net property, as follows:
- | | |
|--------------------------------------|--|
| • Net property less than £10,000: | 50% unless the Joint Administrators consider that the costs of making a distribution to the non-preferential creditors would be disproportionate to the benefits |
| • Net property greater than £10,000: | 50% of the first £10,000 plus 20% thereafter, up to a maximum of £600,000. |
- 4.15 As previously advised, the Company granted floating charges to the Secured Creditors after 15 September 2003 therefore the Prescribed Part provisions apply in this instance.

- 4.16 The availability of any potential Prescribed Part remains uncertain until realisations of the Company's floating charge assets are completed.
- 4.17 Once the collect-out of the Factored Book Debts is completed and the indebtedness, interest and charges due to STB are confirmed, the Joint Administrators will be in a position to comment on the quantum of any potential Prescribed Part fund.
- 4.18 An update on the quantum and timing of any potential Prescribed Part distribution will be provided in the next progress report.

Non-Preferential Creditors

- 4.19 According to the SOA, the non-preferential creditor ledger as at the Appointment Date totaled £1.3 million.
- 4.20 Since the Appointment Date, the Joint Administrators have received claims totaling £60,352.
- 4.21 The availability, quantum and timing of any Prescribed Part fund and subsequent distribution to non-preferential creditors is dependent upon the following:
- The quantum of future asset realisations;
 - The quantum of non-preferential claims against the Company, and;
 - Total costs of the Administration.
- 4.22 An update on the quantum and timing of any potential distribution to the Company's non-preferential creditors will be detailed in future progress reports.
- 4.23 If not already done so creditors of the Company should complete the proof of debt form at Appendix 5 and return the same to the Joint Administrators, together with supporting documentation to substantiate their claim. Forms may be sent to the Company c/o Duff & Phelps, The Chancery, 58 Spring Gardens, Manchester, M2 1EW or by email to Matthew.Dunnill@duffandphelps.com.

5. Joint Administrators' Receipts and Payments Account

- 5.1 A detailed Receipts and Payments Account for the Reporting Period is shown at Appendix 2.
- 5.2 As at 15 October 2019 there was a cash balance of £55,966.

6. Pre-Administration Costs

- 6.1 In accordance with Rule 3.52 of the Rules, payments of unpaid pre-administration costs as expenses of the Administration are subject to approval from the relevant classes of the Company's creditors.
- 6.2 On 25 March 2019, the Secured Creditors approved that the following amounts in respect of pre-administration costs be paid as expenses of the Administration:

	£
Duff & Phelps	66,991
TP	20,915
LSH	14,435
Total	102,341

Note: The above costs exclude VAT

- 6.3 Creditors should note that an overpayment of £50 has been made to TP as shown at Appendix 2. A refund for this sum has been requested by the Joint Administrators.
- 6.4 As previously reported, a reconciliation of Duff & Phelps' pre and post appointment time costs was completed which resulted in time costs of £874 being reallocated to post-administration time costs. As such, Duff & Phelps' pre-administration time costs total £66,117.
- 6.5 All pre-administration costs have been settled in full as detailed in the Receipts and Payments Account at Appendix 2.

7. Joint Administrators' Costs and Expenses

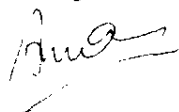
- 7.1 On 25 March 2019, the following resolutions were approved by the Secured Creditors in respect of the Joint Administrators' costs and expenses:
- That the Joint Administrators' remuneration be fixed by reference to time properly given by them and their staff in attending to matters arising in the Administration;
 - That the Joint Administrators' fee estimate in the sum of £95,121 plus VAT is approved; and
 - That the Joint Administrators' are authorised to draw their internal costs and expenses *in dealing with the Administration, including Category 2 Disbursements*.
- 7.2 As is required by the Rules when seeking approval to the above mentioned resolutions, the Company's creditors were provided with an opportunity to establish a creditors committee subject to a sufficient number of nominations being made. There were insufficient nominations received; therefore, no such committee was formed.
- 7.3 The Joint Administrators' fee estimate is an estimate of fees to be drawn over the life of the Administration and effectively acts as a cap, beyond which fees will not be drawn in the absence of further approval from the Company's creditors.
- 7.4 Time costs incurred since the Appointment date total £124,791 representing 527 hours at an average rate of £237 per hour and are analysed at Appendix 3.
- 7.5 The Joint Administrators note that time costs to date have exceeded the fee estimate previously approved. In the event that asset realisations are sufficient enough for the Joint Administrators' to draw fees beyond £95,121, a further fee estimate will be circulated to creditors for approval.
- 7.6 Time costs incurred in the Reporting Period total £27,559, representing 129 hours with an average charge out rate of £213 per hour. Time has been charged in six minute units.
- 7.7 In accordance with SIP 9, the Joint Administrators have provided creditors with additional information regarding major areas of time recorded in the Reporting Period, as follows:
- Time costs of £8,840 have been incurred in respect of Strategy Planning & Control. *This involves time spent implementing and monitoring the asset realisation strategy during the Reporting Period and reviewing the estimated outcome of the Administration for each class of creditor.*
 - A total of £5,978 has been incurred under the heading Statutory Matters (Meetings & Reports & Notices). This includes time spent preparing the previous progress report, all statutory filings required and all other statutory matters.

- Time costs totalling £3,215 have been incurred under the heading Cashiering & Accounting. This relates to time spent administering all receipts and payments for the estate account and preparing bank reconciliations.

- 7.8 The Joint Administrators have not drawn any post-appointment fees in the Reporting Period. These will be drawn in due course following further asset realisations.
- 7.9 The Joint Administrators' expenses and disbursements incurred since the Appointment Date are included in the Receipts and Payments Account at Appendix 2 and are analysed further at Appendix 3.
- 7.10 Based on current information, expenses and disbursements incurred throughout the Administration are not likely to exceed the estimates provided in the Proposals.
- 7.11 A statement of creditors' rights concerning the Joint Administrators' fees is enclosed at Appendix 4.

8. Extension of the Administration and Next Report

- 8.1 An Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the creditors' consent. Given that asset realisations are incomplete, the Joint Administrators were unable to finalise all outstanding matters prior to the end of the Reporting Period.
- 8.2 To provide sufficient time to realise the Company's assets and settle all outstanding costs of the Administration, the Company's Secured Creditors approved an extension to the Administration for a period of 12-months. The Administration is now due to expire on 15 October 2020.
- 8.3 The Joint Administrators are required to provide progress reports within one month of the end of each six-monthly reporting period. The next progress report will therefore be issued on or before 15 May 2020, or sooner if the Administration is finalised.
- 8.4 If you have any queries or require any further assistance, please do not hesitate to contact my colleague Matthew Dunnill of this office.



Allan Graham
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Allan Watson Graham and Steven Muncaster, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1

Statutory information

Date of Incorporation	9 April 2013
Registered Number	08480919
Company Director(s)	David William Lloyd Gary Mullaney
Company Secretary	N/A
Shareholders	Aquila Group (UK) Limited Bristol Street Commercials (Italia) Limited
Former Trading Addresses	Avonmouth Cabot Park Poplar Way West Avonmouth Bristol BS11 0QL Swindon Marshgate Trading Estate Stratton Road Swindon SN1 2PA Gloucester Bristol Road Gloucester GL2 5YB
Registered Office	Current: C/o Duff & Phelps Ltd. The Chancery 58 Spring Gardens Manchester M2 1EW Former: Unit 5 Wheelock Heath Business Court Winterley Sandbach Cheshire CW11 4RQ
Any Other Trading Names	N/A

Appendix 2

Joint Administrators' Receipts and Payments Account

Aquila Truck Centres (Italia) Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

	From 16/04/2019 To 15/10/2019 £	From 16/10/2019 To 15/10/2019 £
ASSET REALISATIONS		
Bank Interest Gross	102.93	201.75
Business Information - Revival	0.17	1.02
Business Information - SAML	NIL	0.50
Contracts - Revival	0.17	1.02
Contracts - SAML	NIL	0.50
Contribution to Legal Fees	NIL	500.00
DVLA Refunds	NIL	208.33
F&F and Equipment - SAML	NIL	0.50
F&F, Equipment and P&M - Revival	6,666.00	39996.00
Goodwill - Revival	0.17	1.02
Goodwill - SAML	NIL	0.50
Intellectual Property - Revival	0.16	1.01
Intellectual Property - SAML	NIL	0.50
IT Equipment - SAML	NIL	750.00
Iveco Surplus	25,910.00	25910.00
Leasehold Improvements	NIL	NIL
Licence Fees	53,666.68	193107.48
Motor Vehicles - Revival	583.33	3499.97
Motor Vehicles - SAML	NIL	3050.00
Plant & Machinery - SAML	NIL	8397.50
Rates Refund	NIL	4572.30
Rent Deposit Deed	42,500.00	42500.00
Stock - Revival	10,534.32	61875.92
Stock - SAML	NIL	11470.05
Sundries	NIL	23.34
Work In Progress - SAML	NIL	4549.25
	<u>139,963.93</u>	<u>400,618.46</u>
COST OF REALISATIONS		
Debt Collection Costs	NIL	3,288.62
Legal Costs - Swindon	3,500.00	3,500.00
Rent	123,000.00	193107.96
Rent Arrears - Swindon	3,958.96	3,958.96
Surrender Costs - Swindon	416.67	416.67
Agent's Disbursements Pre Insolvency	NIL	309.52
Agent's Fees Pre Insolvency	1,125.00	14125.00
HMRC Petition Costs	NIL	902.40
Legal Disbursements Pre Insolvency	NIL	125.00
Legal Fees	1,660.00	2160.00
Legal Fees - Debt Collection	750.00	750.00
Legal Fees Pre Insolvency	NIL	20965.00
Pre Insolvency Remuneration	66,116.50	66116.50
Statutory Advertising	84.60	84.60
	<u>(200,611.73)</u>	<u>(309,810.23)</u>
	(60,647.80)	90,808.23
REPRESENTED BY		
Fixed Bank Account		8.37
Fixed Charge VAT Control Account		8,658.45
Floating/Main Current Account		55,957.63
General VAT Control Account		25,733.78
VAT Receivable		450.00
		<u>90,808.23</u>

Appendix 3

Analysis of Time Charged and Expenses Incurred

91114 AQUILA TRUCK CENTRES (ITALIA) LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/10/2018 to 15/10/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost: £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.00	0.00	17.10	8.50	0.00	25.60	6,045.75	236.16
Cashiering & accounting	0.00	4.40	5.10	19.75	0.00	29.25	6,865.75	234.73
Dealings with Directors and Management	0.00	0.00	4.80	1.60	0.00	6.50	1,629.50	250.69
IPS set up & maintenance	0.00	0.00	0.30	5.40	0.00	5.70	729.00	127.89
Insurance	0.00	0.00	0.00	0.60	0.00	0.60	69.00	115.00
Statement of affairs	0.00	0.00	1.20	0.00	0.00	1.20	354.00	295.00
Statutory matters (Meetings & Reports & Notices)	0.00	2.30	64.15	49.35	0.00	115.80	26,388.75	227.88
Strategy planning & control	9.70	74.20	29.40	22.45	0.00	135.75	38,584.00	284.23
Tax Compliance / Planning	0.00	0.00	0.30	2.20	0.00	2.50	393.50	157.40
Creditors								
Communications with Creditors / Employees	0.00	0.00	2.40	19.65	0.00	22.05	3,000.25	136.07
Non Pref Creditors / Employee claims handling	0.00	0.00	1.10	7.00	0.00	8.10	1,129.50	139.44
Pref claims adjudication & distribution	0.00	0.00	0.50	0.00	0.00	0.50	147.50	295.00
Secured Creditors	0.00	4.40	8.90	5.70	0.00	19.00	4,791.50	252.18
Investigations								
CDDA & reports & Communication Financial review and investigations (S238/239 etc)	0.00	0.00	2.00	18.50	0.00	20.50	2,717.50	132.56
	0.00	0.00	0.00	0.70	0.00	0.70	80.50	115.00
Realisation of Assets								
Book debts								
Freehold and Leasehold Property	0.00	3.70	7.40	16.80	0.00	27.90	5,369.00	192.44
Other Tangible Assets	0.00	4.00	44.70	21.25	0.00	69.95	16,965.00	242.53
Pre-Appointment Tax Reclaims	0.00	6.30	0.60	0.80	0.00	7.70	2,064.50	268.12
Sale of business	0.00	0.00	0.10	0.00	0.00	0.10	29.50	295.00
	1.60	0.00	19.50	5.70	0.00	26.80	7,368.00	274.93
Trading								
Trading - Retention of Title & Claims handling	0.00	0.00	0.00	0.60	0.00	0.60	69.00	115.00
Total Hours:	11.30	99.30	209.65	206.55	0.00	526.80		236.88
Total Fees Claimed: £	6,780.00	28,988.50	61,996.25	27,026.25	0.00		124,791.00	

Category 2 Disbursements:

91114 AQUILA TRUCK CENTRES (ITALIA) LIMITED

ANALYSIS OF TIME COSTS FOR THE PERIOD 16/04/2019 to 15/10/2019

ADM-Admin. - Post Appt.

Classification of Work Function	Hours					Total Hours	Time Cost £	Avg Hourly Rate £
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review & Case Diary management	0.00	0.00	3.60	4.65	0.00	8.25	1,620.50	196.42
Cashiering & accounting	0.00	2.30	2.90	7.20	0.00	12.40	3,215.00	259.27
IPS set up & maintenance	0.00	0.00	0.10	1.30	0.00	1.40	179.00	127.86
Statutory matters (Meetings & Reports & Notices)	0.00	1.00	14.00	12.95	0.00	27.95	5,978.00	213.88
Strategy planning & control	0.00	23.80	1.60	11.65	0.00	37.05	8,840.00	238.60
Tax Compliance / Planning	0.00	0.00	0.00	1.40	0.00	1.40	161.00	115.00
Creditors								
Communications with Creditors / Employees	0.00	0.00	0.20	6.40	0.00	6.60	795.00	120.45
Non Pref Creditors / Employee claims handling	0.00	0.00	0.00	4.60	0.00	4.60	529.00	115.00
Secured Creditors	0.00	0.00	2.40	5.70	0.00	8.10	1,620.00	200.00
Realisation of Assets								
Book debts	0.00	0.00	1.60	2.80	0.00	4.40	993.50	225.80
Freehold and Leasehold Property	0.00	0.40	6.20	5.05	0.00	11.65	2,718.50	233.35
Sale of business	0.00	0.00	1.60	3.80	0.00	5.40	909.00	168.33
Total Hours:	0.00	27.50	34.20	67.50	0.00	129.20		213.30
Total Fees Claimed: £	0.00	8,221.00	10,219.50	9,118.00	0.00		27,558.50	

Category 2 Disbursements:

Aquila Truck Centres (Italia) Limited (In Administration)
Joint Administrators' Disbursements

	Reporting Period	
	Incurred	Amount Paid
		(£)
	(£)	
Category 1		
Ground Travel	397.72	-
TOTAL	<u>£397.72</u>	<u>£0.00</u>
Category 2		
-	-	-
TOTAL	<u>£0.00</u>	<u>£0.00</u>

The above costs exclude VAT

Appendix 4

Statement of Creditors' Rights

STATEMENT OF CREDITORS RIGHTS

Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)

Section numbers refer to Insolvency Act 1986

'Office-holder' is the current Administrator

Information for creditors on remuneration and disbursements of administrators

Information regarding the fees and disbursements of administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/creditor-guides-and-employee-fact-sheets>

(click on the document 'Administration (appointment from 1 October 2015)'). Should you require a copy, please contact this office.

Creditors have the right to request information from the office-holder under rule 18.9

A secured creditor, an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) or any unsecured creditor with the permission of the court may make a written request to the office-holder for further information concerning remuneration or expenses. *Such a request must be made within 21 days of receipt of this report and a response will be provided within 14 days of receipt of the request.*

Creditors have recourse to court, application to be made within 21 days of the office-holder giving reasons for not providing all the information requested or the expiry of the 14 days within which an office-holder must respond to a request.

Creditors have the right to challenge the office-holder's remuneration and expenses under rule 18.34

A secured creditor, an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or any unsecured creditor with the permission of the court, may make an application to court on the grounds that the remuneration charged or expenses incurred are excessive and/or that the basis fixed for the office-holder's remuneration is inappropriate. The application to court must be made no later than eight weeks after receipt of the Progress Report where the charging of the remuneration or the incurring of expenses in question occurs.

Appendix 5

Proof of Debt Form

PROOF OF DEBT - GENERAL FORM

Aquila Truck Centres (Italia) Limited - in Administration Company No. 08480919		
Date of Administration: 16 October 2018		
1.	Name of Creditor (If a company please also give company registration number and if non-UK, country of registration)	
2.	Address of Creditor for correspondence	RFF
	Contact telephone number of creditor	
	Email address of creditor	
3.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	
4.	Details of any documents by reference to which the debt can be substantiated (please attach)	
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount	£
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates	
9.	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	DATE
	Are you the sole member of the creditor?	YES / NO
	Position with or in relation to creditor Address of person signing (if different from 2 above)	
Admitted to vote for £		Admitted for dividend for £
Date		Date
Administrator		Administrator