

# WU07

## Notice of progress report in a winding-up by the court



Companies House



### 1 Company details

Company number 0 8 9 8 1 3 6 3  
Company name in full UK Express Logistics Limited

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

### 2 Liquidator's name

Full forename(s) David John  
Surname Standish

### 3 Liquidator's address

Building name/number 15 Canada Square  
Street Canary Wharf  
Post town London  
County/Region  
Postcode E 1 4 5 G L  
Country

### 4 Liquidator's name ①

Full forename(s) Blair Carnegie  
Surname Nimmo

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

### 5 Liquidator's address ②

Building name/number 15 Canada Square  
Street Canary Wharf  
Post town London  
County/Region  
Postcode E 1 4 5 G L  
Country

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

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**6** Period of progress report

From date	<sup>d</sup> 0	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
To date	<sup>d</sup> 0	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 5	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X

*Jeff Smith*

X

Signature date

<sup>d</sup> 2	<sup>d</sup> 9	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
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**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 **Amy Whicker**

Company name **KPMG LLP**

Address **One Snowhill**

**Snow Hill Queensway**

Post town **Birmingham**

County/Region

Postcode

B

4

6

G

H

Country

DX

Telephone

**Tel +44 (0) 121 232 3000**

**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**



## Progress Report

For the period from 2 May 2019 to 1 May 2020

<b>Company name</b>	<b>UK Express Logistics Limited - in liquidation</b>
<b>Court details</b>	00342 of 2019
<b>Winding up order date</b>	27 February 2019
<b>Petition date</b>	14 January 2019
<b>Appointment date</b>	02 May 2019
<b>Liquidators</b>	David John Standish and Blair Carnegie Nimmo
<b>Contact details for case administrator</b>	Amy Whicker 0207 3111492  Email: Amy.Whicker@KPMG.co.uk
<b>Assets</b>	No asset realisations were made in this period as shown in Appendix 1. The assets remaining to be realised and the progress made in the realisation of these assets are shown in Appendix 2.
<b>Dividend prospects</b>	On present information it is uncertain whether there will be a dividend to any class of creditor. Any dividend to creditors is dependent on the outcome of ongoing investigations and any future realisations.
<b>Liquidators' Remuneration</b>	The basis for remuneration has not yet been fixed because there has been uncertainty in respect of the proposed work required and subsequent charge associated with this however the time charged to this case is detailed for this period in Appendix 4.
<b>Liquidators' Expenses</b>	Expenses totalling £42,830.25 have been incurred for this period and are shown in Appendix 5. These include any irrecoverable VAT incurred on the liquidators' time costs in accordance with the fee estimate. The receipts and payments for the period are shown in Appendix 1.
<b>Fee estimate</b>	Remuneration and expenses have been incurred with reference to a fee estimate prepared pursuant to Rule 18.16 of the Insolvency (England and Wales) Rules 2016 ("IR2016").  A copy of the estimate of the fees is set out respectively at Appendix 4.



Creditors' rights are explained in detail in Appendix 5

## Appendix 1

UK Express Logistics Limited - in Liquidation		
Abstract of receipts & payments		
Statement of affairs (£)	From 02/05/2019 To 01/05/2020 (£)	From 02/05/2019 To 01/05/2020 (£)
COST OF REALISATIONS		
OR disbursements	(9,400.00)	(9,400.00)
Bank charges	(88.00)	(88.00)
	(9,488.00)	(9,488.00)
	(9,488.00)	(9,488.00)
REPRESENTED BY		
ISA		(9,488.00)
		(9,488.00)



## **Appendix 2**

### **Assets Realisation and Progression**

#### **1. Asset realised to date**

To date, there has been no realisations in this case. The Joint Liquidators continue with their investigations in this regard.

#### **2. Progress report on the realisation of the remaining assets**

##### *Connected Payments*

During our investigation, we have discovered payments being made to the director's wife, who is not an employee, director or shareholder of the Company. We have instructed solicitors to advise and assist on various matters relating to our investigations. We have also sought information from the Director, of which some has been provided but we have yet to receive an explanation or a proposal for repayment in respect of these funds. The Director's lawyers have provided us with a SAGE backup but neither the Official Receiver, ourselves or our Lawyers have been able to access this therefore this matter has been delayed. This issue remains ongoing and I will provide you with an update in a subsequent report, or earlier, if there are dividends to creditors available prior to this.

There are also a number of payments made in respect of what appears to be the director's personal property and expenditure of the same. Whilst the director has provided some explanation to this, we need to clarify further points, however, it would be unwise to

##### *Transfer of business*

We are currently investigating the intercompany relationship between the various related companies and in particular the transfer of the vehicles from one company to another. Whilst the director maintains that the vehicles were transferred legitimately, the issue remains that the hire of the vans was the main source of income for the Company and therefore our legal advisers and us are reviewing this matter in detail and whether they may be a claim in this respect.

##### *Other matters*

We have experienced unforeseen delays in relation to the provision of records and information to assist us in our investigations from the companies' accountants. Our investigations continue and, if appropriate, further updates will be provided in our next report.

#### **3. Creditor Claims**

##### *Secured*

We are not aware of any secured claims.



### *Preferential creditors*

We are not aware of any preferential claims in this liquidation.

### *Unsecured creditors*

Based on current estimates, it is uncertain whether there will be a dividend to the unsecured creditors.

## **4. Costs**

The costs and expenses associated with the liquidation are set out in Appendix 1 (if those costs have already been paid out of the administration) and Appendix 5 (all amounts, whether paid or unpaid).

### *Legal fees*

We have engaged Charles Russell Speechlys LLP ("CRS") to advise on our ongoing investigations. During this period, we have incurred legal costs totalling £13,566. As there have not been any realisations to date, this amount has not been paid and will not be paid until such time that realisations allow.

## **5. Joint Liquidators' remuneration**

### *Time costs*

For the period of this report, we have incurred time costs of £85,315.25. This represents 228 hours at an average rate of £374 per hour. We are now seeking approval for a revised fee estimate of time costs for the whole of the liquidation which totals £106,090.15 as detailed in Appendix 4.

### *Remuneration*

No fees have been drawn from the administration to date.

### *Disbursements*

No expenses have been drawn from the administration to date.

### *Additional information*

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from our appointment to 1 May 2020. We have also attached our charging and disbursements policy.

We have also attached a fee estimate at Appendix 4. As we could not fully commence our investigation until December when we received access to the books and records, we did not produce a fee estimate before now as it was uncertain as to the level of work required.



## **6. Decision Procedure**

Notice of seeking a decision by correspondence is attached to the covering letter. This decision by correspondence procedure is being used to seek approval for a revision of our fees estimate.

Please note that if a Creditors' Committee is formed, the votes cast by creditors in relation to the proposed decisions above will be disregarded.

### *Creditors' right to request a physical meeting*

We will summon a physical meeting (1) if asked to do so by (a) creditors whose debts amount to at least 10% of the total debts of the Company, or (b) 10% in number of creditors or (c) 10 creditors and (2) if the procedures set out below are followed.

Requests for a physical meeting must be made within five business days of the date on which notice of the decision procedure was delivered. They must include:

- a statement of the requesting creditors' claim;
- a list of the creditors concurring with the request, showing the amounts of their respective debts in the liquidation;
- written confirmation of their concurrence from each concurring creditor; and
- a statement of the purpose of the proposed meeting.

In addition, the expenses of summoning and holding a meeting at the request of a creditor must be paid by that creditor. That creditor is required to deposit security for such expenses with us.

If you wish to request a physical meeting, please complete and return the physical meeting requisition form attached to the cover letter.

## **7. Future Strategy**

The following matters remain outstanding but are being actively progressed towards closure:

- Continuation of our investigations – the main funds being incurred are in relation to investigations and the specific matters which are detailed earlier in this report;
- Payment of outstanding costs, to the extent that realisations allow (and subject to the points raised above in respect of investigation);
- Making a distribution to creditors if funds allow;
- Finalising tax affairs in relation to the administration;
- Dealing with the relevant statutory and compliance requirements prior to, and in anticipation of, closure of this case.



*Future reporting*

We will provide a further progress report within two months of 2 May 2021 or earlier if our administration of the liquidation has been completed prior to that time.



## Appendix 3

### Statutory Information

#### Company details

Company name	UK Express Logistics Limited
Registered No.	08981363
Trading address	Lonsdale House, Birmingham, West Midlands, England, B1 1QU
Registered office	KPMG LLP, 15 Canada Square, Canary Wharf, London, E14 5GL

#### Appointment

Liquidators	2 May 2019 by the Secretary of State.
Office holder details	<p>David John Standish was appointed on 2 May 2019 and is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England &amp; Wales.</p> <p>Blair Carnegie Nimmo was appointed on 2 May 2019 and is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England &amp; Wales.</p>
Application of EC regulations	EC regulations apply and these proceedings are Main Proceedings as defined in Article 3 of the EC regulations.



## Appendix 4

### *Joint Liquidators' charging policy*

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

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

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

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

If you are unable to access this guide and would like a copy, please contact Amy Whicker on 0207 3111492.

### *Hourly rates*

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this liquidation. Time is charged by reference to actual work carried out on the liquidation.

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



My current time costs for the period are:

SIP 9 - Time costs analysis (SIPs 2019 to SIPs 2020)			
	Hours	Time Cost (£)	Average Hourly Rate (£)
<b>Administration &amp; planning</b>			
Bankrupt/Director/Member			
Notification of appointment	5.20	1,170.00	225.00
Cashiering			
General (Cashiering)	0.10	14.00	140.00
Reconciliations (& IPS accounting reviews)	0.40	90.00	225.00
General			
Books and records	3.80	855.00	225.00
Fees and WIP	2.30	1,023.50	445.00
Statutory and compliance			
Appointment and related formalities	16.70	4,439.50	265.84
Bonding & Cover Schedule	0.30	67.50	225.00
Budgets & Estimated outcome statements	2.40	1,068.00	445.00
Checklist & reviews	10.30	3,341.70	324.44
Pre-administration checks	1.15	258.75	225.00
Statutory advertising	0.70	157.50	225.00
Strategy documents	49.60	22,449.60	452.61
Tax			
Initial reviews - CT and VAT	0.50	112.50	225.00
Post appointment corporation tax	1.30	490.50	377.31
Post appointment VAT	4.50	2,195.50	487.89
<b>Creditors</b>			
Creditors and claims			
General correspondence	6.10	1,856.50	304.34
Pre-appointment VAT / PAYE / CT	1.40	659.00	470.71
Statutory reports	3.10	1,049.50	338.55
Employees			
Pensions reviews	1.20	487.00	405.83
<b>Investigation</b>			
Directors			
Correspondence with directors	15.90	7,176.70	451.36
Investigations			
Correspondence re investigations	54.90	21,930.20	399.46
Preferences / transactions at undervalue	6.40	2,848.00	445.00

**SIP 9 – Time costs analysis (02/05/2019 to 01/05/2020)**

	Hours	Time Cost (£)	Average Hourly Rate (£)
Review of pre-appt transactions	28.05	7,761.60	276.71
<b>Realisation of assets</b>			
Asset Realisation			
Other assets	4.60	2,148.20	467.00
Pre-appointment tax & VAT refunds	7.40	1,665.00	225.00
<b>Total in period</b>	<b>228.30</b>	<b>85,315.25</b>	<b>373.70</b>
Brought forward time (appointment date to SIP 9 period start date)	0.00	0.00	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	228.30	85,315.25	
Carry forward time (appointment date to SIP 9 period end date)	228.30	85,315.25	

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

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



## Charge out rates

Charge-out rates (£) for: C&S			
Grade	From 01 Jan 2019 C/m	From 01 Oct 2019 C/m	From 01 Jan 2020 C/m
Partner	655	655	690
Director	590	590	620
Senior Manager	535	535	560
Manager	445	445	467
Senior Administrator	310	310	325
Administrator	225	225	236
Support	140	140	147

## KPMG Restructuring policy for the recovery of disbursements

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

**Category 1 disbursements:** These are costs where there is specific expenditure directly referable 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, and equivalent costs reimbursed to the officeholder or his or her staff.

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

Any disbursements paid from the estate are disclosed within the attached summary of disbursements.

**Category 2 disbursements charged by KPMG Restructuring include mileage,** this is calculated as follows:

Mileage claims fall into three categories:

Use of privately-owned vehicle or car cash alternative – 45p per mile

Use of company car – 60p per mile

Use of partner's car – 60p per mile

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

### *Disbursements*



We have incurred the following disbursements during the period which have not, to date, been recovered from the bankruptcy estate.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Advertising	87.60		NIL		87.60
Travel	164.00		NIL		164.00
<b>Total</b>	<b>251.60</b>		<b>NIL</b>		<b>251.60</b>

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



#### Quantum of remuneration

Initially we did not anticipate the level of investigation work involved within the liquidation and having to instruct solicitors to assist with these matters. As described in Appendix 2, we have liaised with our solicitors to deal with those matters during the course of this reporting period.

I am seeking the approval of the creditors for approval of the remuneration envisaged in the fee estimate as set out below. I have enclosed with this report a request under rule 18.29 (IR2016) for approval of the estimate.

## Fee estimate and analysis of liquidators' time costs

Estimated total time costs for the engagement			
	Estimated total hours	Estimated time cost (£)	Estimated average hourly rate (£)
<b>Administration &amp; Planning</b>			
<b>Bankrupt/Director/Member</b>	9.50	2,762.30	290.77
<b>Cashiering</b> - processing receipts, payments and bank reconciliations	1.40	352.00	251.43
<b>General</b> - books & records, fees & work in progress	8.10	2,581.50	318.70
<b>Statutory and compliance</b> - appointment & related formalities, bonding, checklist & reviews, reports to secured creditors, advertising, strategy	99.25	38,396.55	386.87
<b>Tax</b> - VAT & Corporation tax, initial reviews, pre and post appointment tax	6.50	2,891.90	444.91
<b>Creditors</b>			
<b>Committees</b> - committee meetings and reports to the committee	0.00	0.00	0.00
<b>Creditors and claims</b> - general correspondence, notification of appointment, statutory reports	19.40	6,334.80	326.54
<b>Employees</b> - correspondence	2.40	816.40	340.17
<b>Investigations</b>			
<b>Directors</b> - correspondence, statement of affairs, questionnaires	19.90	9,044.70	454.51
<b>Investigations</b> - director conduct and affairs of the Company	101.15	36,710.60	362.93
<b>Realisation of Assets</b>			
<b>Asset Realisation</b> - including insurance of assets	18.00	6,199.40	344.41
<b>Trading</b>			
<b>Trading</b> - purchases, sales, cash projections	0.00	0.00	0.00
<b>Total</b>	<b>285.60</b>	<b>106,090.15</b>	<b>371.46</b>

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

## Appendix 5

### Expenses

The expenses incurred in the reporting period are:

Schedule of expenses (02/05/2019 to 04/05/2020)			
Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
<b>Cost of realisations</b>			
OR disbursements	9,400.00	0.00	<b>9,400.00</b>
Bank charges	88.00	0.00	<b>88.00</b>
Legal costs	13,566.00	0.00	<b>13,566.00</b>
Irrecoverable VAT	19,776.25	0.00	<b>19,776.25</b>
<b>TOTAL</b>	<b>42,830.25</b>	<b>0.00</b>	<b>42,830.25</b>

For reporting purposes it is KPMG's policy to show costs and expenses net of VAT. UK Express Logistics Limited was registered for the purposes of VAT and the liquidators will, therefore, be able to recover VAT incurred on certain costs of the Liquidation, where allowed under current legislation.

## **Creditors' rights**

As a creditor you have a right to request further information and to challenge the liquidators' remuneration and expenses.

Creditors are reminded that the basis upon which the liquidators' remuneration is to be charged has been agreed. The quantum is supported by an analysis of time costs in Appendix 4. Any additional information regarding liquidators' remuneration and / or other expenses incurred for the period is available from the liquidators upon request by any secured creditor or one or more unsecured creditor(s) whose claim(s) total at least 5% in value of the unsecured debt (in accordance with rule 18.9 of the Insolvency (England and Wales) Rules 2016 ("IR2016")). This request must be made within 21 days of receipt of the report.

In addition, creditors are reminded that the quantum can be challenged by any secured creditor or one or more unsecured creditor(s) whose claim(s) total at least 10% in value of the unsecured debt (in accordance with rule 18.34 IR2016) by making an application to court within eight weeks of receipt of this report.

The full text of these rules can be provided upon request or can be viewed on the following website:

<http://www.legislation.gov.uk/uksi/2016/1024/contents/made>



## **Appendix 6**

### **About this report**

This report has been prepared by David John Standish and Blair Carnegie Nimmo, the Joint Liquidators in liquidation of UK Express Logistics Limited, solely to comply with their statutory duty to report creditors under the Insolvency (England and Wales) Rules 2016, to provide an account of their acts and dealings and of the conduct of the liquidation and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 does so at its own risk. To the fullest extent permitted by law, the joint liquidators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

The appointments of the joint liquidators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the liquidation.