

AM03

Notice of administrator's proposals



Companies House

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1 Company details

Company number 09524709
Company name in full Vmoto UK Distribution Limited

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

2 Administrator's name

Full forename(s) Sarah Louise
Surname Burge

3 Administrator's address

Building name/number 1st Floor, Lowgate House
Street Lowgate
Post town Hull
County/Region
Postcode HU1 1EL
Country

4 Administrator's name ①

Full forename(s)
Surname

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

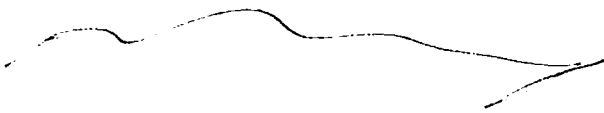
5 Administrator's address ②

Building name/number
Street
Post town
County/Region
Postcode
Country

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

AM03

Notice of Administrator's Proposals

6	Statement of proposals	
	<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7	Qualifying report and administrator's statement ^①	
	<input type="checkbox"/> I attach a copy of the qualifying report <input type="checkbox"/> I attach a statement of disposal	① As required by regulation 9(5) of The Administration (Restrictions on Disposal etc. to Connected Persons) Regulations 2021)
8	Sign and date	
Administrator's Signature	<div>Signature</div> <div>X  X</div>	
Signature date	<div>^d 1 ^d 0 ^m 0 ^m 3 ^y 2 ^y 0 ^y 2 ^y 3</div>	

AM03 Notice of Administrator's Proposals



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	Martin Smith
Company name	Kingsbridge Corporate Solutions Limited
Address	1st Floor, Lowgate House Lowgate
Post town	Hull
County/Region	
Postcode	H U 1 1 E L
Country	
DX	
Telephone	01482 337500



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 and dated 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

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This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

**Administrator's Proposals relating to
Vmoto UK Distribution Limited ("the Company") – In Administration**

Issued on: 9 March 2023

Delivered to creditors on: 13 March 2023

I am the Administrator of the Company and these are my statutory proposals relating to the Company.

1. STATUTORY INFORMATION

Company Information

Company name: Vmoto UK Distribution Limited

Previous name: N/A

Trading name: N/A

Company number: 09524709

Date of incorporation: 02/04/2015

Trading address: Units 3-4 Newark Business Park, Abbott's Way, Newark, Nottinghamshire, NG24 2EL

Current registered office: Units 3-4 Newark Business Park, Abbott's Way, Newark, Nottinghamshire, NG24 2EL

Former registered office: Unit 1 High Dyke Navenby Lincoln LN5 0BQ

Principal trading activity: Sale, Maintenance & Repair of Motorcycles

Appointment Details

Administrator Sarah Louise Burge

Administrator's address Kingsbridge Corporate Solutions Limited 1st Floor, Lowgate House, Lowgate, Hull, HU1 1EL

Date of appointment 2 March 2023

Court name and reference High Court. Business & Property Courts in Leeds
CR-2023-LDS-000188

Appointment made by: The Company's Directors

Officers of the Company:

<i>Directors:</i>	<i>Name:</i>	<i>Shareholding</i>
	Doeke Jan Boersma	-
	Andrew Fenwick	-
	Theodorus Willem Van Dem Oever	-

<i>Company secretary:</i>	<i>Name:</i>	<i>Shareholding</i>
	N/A	-

Issued Share capital

16,491 ordinary shares £1 each fully paid allotted to Go Green Holding BV

Charges

Fixed and floating charge over all land, property and assets of the Company in favour of Finance for Enterprise Limited dated 27 November 2020.

Fixed and floating charge over all land, property and assets of the Company in favour of Ffe Spv Limited dated 27 November 2020.

2. CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE ADMINISTRATOR

Creditors should note that, unless otherwise stated, this section of my proposals has been prepared based on information provided to me by the directors of the Company and not from my personal knowledge as Administrator.

The Company was formed in 2015 by a former director to sell electric bikes into a UK dealership network. Andrew Fenwick joined the Company in 2016. In 2019 the Company entered into an exclusive agreement with a Chinese manufacturer to distribute products in the UK.

A significant proportion of the Company's sales were made to an associated business which used bikes for short term rentals/leases to owner riders. In 2020 business moved to a business to business model aimed at the "last mile delivery market".

The outbreak of COVID hugely increased the need for home deliveries of meals and groceries and sales to the associated company increased almost 10 times between FY20 and FY21. In September 2021 the Company entered into a 10 year lease for premises in Newark.

In 2021 the Company and its associate were acquired by a European holding company. Profitability in 2021 was adversely affected by large increases in container shipping charges.

In mid-2022, substantial orders which had been anticipated by the associated business were not forthcoming. The Company had already placed orders with the manufacturer in anticipation of fulfilling these requirements and the goods had been despatched. This resulted in the Company being left with surplus stock and significant liabilities to its supplier.

The Company experienced pressure from HM Revenue & Customs ("HMRC"), receiving warning of winding-up proceedings for unpaid liabilities totalling £629,830 in October 2022. On 26 January 2023, HMRC made requests for payment of outstanding liabilities and indicated that they may seek security payments in respect of VAT and PAYE / NIC. Also, in January 2023 part of the European group entered insolvency proceedings.

Upon receipt of these from HMRC the Company's directors were introduced to Kingsbridge Corporate Solutions by their former accountants.

A summary of the Company's recent trading performance is shown below.

	Management accounts 11 months ended 30/11/2022 £000's	Year ended 31/12/2021 £000's	Year ended 31/12/2020 (re-stated) £000's
Sales	4,317	5,765	1,516
Gross Profit	1,321	1,004	762
GP%	30%	17%	50%

Profit / (loss) before tax	(82)	(67)	366
Net assets (liabilities)	367	450	468

It should be noted that the management accounts have not been verified for accuracy and therefore may not reflect the Company's true trading position.

Kingsbridge Corporate Solutions first met with the directors on 25 January 2023 and were engaged by the Company on 2 February 2023 to review and comment on the Company's financial position, the directors' duties and responsibilities and the options available to the Company. Our report was presented to the Board on 6 February 2023 and on 7 February 2023 the firm was engaged to assist the board to place the Company into Administration.

Prior to the commencement of the Administration Kingsbridge Corporate Solutions Limited acted as advisors to the Board as a whole acting on behalf of the Company. No advice was given to the individual directors regarding the impact of the insolvency of the company on their personal financial affairs. Whilst not formally in office at that time, Kingsbridge Corporate Solutions Limited was still required to act in its dealings with the Company in accordance with the Insolvency Code of Ethics.

As required by the Insolvency Code of Ethics, I considered the various possible threats to my objectivity arising from my prior involvement reporting to the Board on the Company's financial position and the options available. I concluded that there were no such threats such that I could still act objectively and hence could be appointed Administrator of the Company.

On 2 March 2023, I was appointed by the Company's directors as Administrator of the Company and took over from the Board responsibility for the management of the affairs, business and property of the Company.

3. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATOR'S STRATEGY FOR ACHIEVING THEM

As Administrator of the Company, I am an officer of the Court, and must perform my duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:

- (a) rescue the Company as a going concern; or
- (b) achieve 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
- (c) realise property in order to make a distribution to one or more secured or preferential creditors.

Objective (a) could not be achieved as no purchaser could be found for the shares of the Company and the nature of the Company's trading and its financial circumstances meant that a Company Voluntary Arrangement was not appropriate.

As a result, I am seeking to achieve objective (b) for the Company, and will do this by completing a pre-pack sale of the business and the orderly disposal of the Company's other assets.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If I am unable to complete the Administration of the Company within 12 months then I will either apply to the Court, or seek a decision from the creditors to extend the duration of the Administration.

4. ACTIONS OF THE ADMINISTRATOR FOLLOWING APPOINTMENT

Since I was appointed Administrator, I have completed a pre-pack sale of the Company's business and assets to Vmoto Soco UK Limited as described in detail below.

I have insured those assets not sold as part of the pre-pack sale. I have also notified creditors, other stakeholders and interested parties of my appointment.

I had to undertake this work either as part of my routine administrative functions, or in order to protect and realise the assets of the Company.

The following comprises my disclosure to creditors in order to meet the requirements of Statement of Insolvency Practice 16 as regards the pre-pack sale.

Role of the Insolvency Practitioner

I was introduced to the Board of the Company by Duncan & Toplis, the Company's former accountants. On 25 January 2023, a representative of Kingsbridge Corporate Solutions first met with the Andrew Fenwick, a director of the Company to discuss the financial affairs of the Company.

As described above this firm was engaged by the Company on 2 February 2023 to review and comment on the Company's financial position, the directors' duties and responsibilities and the options available to the Company. Our report was presented to the Board on 6 February 2023 and on 7 February 2023 this firm was engaged to assist the board to place the Company into Administration.

Prior to the commencement of the Administration I advised the Board as a whole, acting on behalf of the Company, about the Company's financial difficulties and provided advice about the options available to the Company to help determine an appropriate course of action to take. No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, I was still required to act in my dealings with the Company in accordance with the Insolvency Code of Ethics.

Ultimately the Company was placed into Administration and I was appointed Administrator. As Administrator I am an officer of the Court and I have taken over the management of the Company from the Board. As indicated above, the purpose of this Administration is to achieve objective (b) - to achieve 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).

In order to help me achieve the objective I have a wide range of powers, as set out in the insolvency legislation, and I must perform my functions as quickly and efficiently as is reasonably practicable. I must also act in the interests of the creditors of the Company as a whole other than where objective c) is being pursued I need only ensure that I do not unnecessarily harm the interests of the creditors of the Company as a whole.

Pre-appointment considerations

Following receipt of instructions to assist the Board to place the Company into Administration, with the assistance of asset valuation agents, I undertook a brief exercise to identify credible buyers for the Company's business and its assets. A summary of this activity is provided below.

Following receipt of an offer to acquire the Company's business and assets, my principal agents advised me that the offer received significantly exceeded the likely realisations that would have been achieved if the business and assets had not been sold on a going concern basis and the assets had, instead, been sold on a break up basis. It was therefore clear that a pre-pack sale of the Company's business and assets would result in a better outcome for creditors as a whole than the next alternative of a break-up sale. For this reason, and due to time constraints, no specific consultation with creditors was

undertaken although I discussed my intentions with the Company's largest trade creditor and supplier of stock who was supportive of my approach.

Faced with a likely request from HMRC for the Company to make security payments to HMRC (referred to in correspondence with HMRC at £1,038,394) and the potential consequences for the Company's directors should the Company continue to trade having not made security payments following receipt of a Notice of Requirement from HMRC to do so, urgent action was required.

The Company's cash flow forecasts did not suggest that the Company would have the funds available to it to allow the Company to continue trading and to undertake an extended period of marketing the business for sale following the appointment of an administrator. Furthermore, it was considered that the uncertainty which would follow the appointment of an administrator may damage the Company's business and its ability to generate sales and cash to fund such an exercise.

No formal requests were made to potential funders to fund working capital requirements. The Company had already benefited from substantial loans from its associates and its main supplier. Bank funding was not considered feasible due to the lack of fixed assets with which to secure any such borrowing and the high level of debt to HMRC meaning that stock held by the Company would have no value for a lender relying upon floating charge security to secure further debt.

As Administrator of the Company the pre-pack sale of the business enables me to achieve the objective set out above as it achieves a better result for the creditors as a whole than would be likely if the Company had been placed into Liquidation without first being in Administration, as I have indicated above. The transfer of the employees to the purchaser means that the Company has no preferential creditors in respect of claims by employees. I can also confirm that the outcome achieved as a result of the pre-pack sale was the best available outcome for creditors of the Company as a whole in all the circumstances of the case.

Valuation of the business and assets

The Company's assets were valued on an ex-situ basis (market value for removal from the premises) by Robert Wilkinson a partner in Sanderson Weatherall LLP, a national firm of registered Chartered Surveyors, governed by the RICS.

Sanderson Weatherall are an independent in this matter and have confirmed that they hold an adequate level of Professional Indemnity Insurance.

Sanderson Weatherall advised that this basis of valuation was adopted in order to evaluate the alternative outcome of a 'break-up' sale in the event that a going concern sale was not achieved. The valuation makes no allowance for the costs associated with a sale.

Following an inspection, Sanderson Weatherall valued the assets of the business as follows:

Asset category	Market value ex-situ (£)	Sale Consideration (£)
<u><i>Fixed charge assets</i></u>		
Goodwill, Company Records, Customer Contracts, Intellectual Property and Forward Order Book	-	159
<u><i>Floating charge assets</i></u>		
Stock	*	545,719
Plant & Machinery	11,000)	
Office Equipment	1,500)	
Motor Vehicle – Free of Finance	2,000)	10,700
Motor Vehicle – Free of Finance	5,000 to £10,000)	

* Given that the stock held by the Company was sourced directly from the manufacturer under an exclusive supply agreement with the Company and that there were no other established sales channels with manufacturer support for servicing, repairs or warranties, Sanderson Weatherall did not consider that it was possible to place a meaningful value on the stock of bikes and parts held by the Company.

Sanderson Weatherall considered the alternative scenario of a piecemeal “break-up” sale of the tangible fixed assets had a going concern offer not have been available. They expressed the opinion that the likely realisation overall would be significantly less than the amount offered. They added that in a “break-up” sale scenario, there would be a number of significant costs to consider including a liability for rent, rates, utilities, security, marketing, site labour, waste disposal, insurance and professional fees associated with a piecemeal sale, all of which would significantly reduce any net sales realisation to the benefit of the Company.

I was advised that the value attributed to stock by the purchaser was significantly in excess of a likely net realisation achievable in a ‘break-up’ sale and this outweighed any value by which the offer for Plant, equipment and vehicles fell short of valuation. I noted that the stock, plant, equipment and vehicles all fell under the category of floating charge assets and that no class of creditor would be prejudiced by realisations from plant, equipment and vehicles being sold for a sum below valuation.

Marketing of the business and assets

Following receipt of instructions to assist the Board to place the Company into Administration, with the assistance of asset valuation agents, I undertook a brief exercise to identify credible buyers for the Company’s business and its assets.

I engaged two firms of agents to circulate details of the opportunity to acquire the Company’s business and assets to a targeted list of potential buyers:

Sanderson Weatherall emailed details of the opportunity to 459 contacts identified from their database by reference to industry sector. 156 of these emails were opened. In addition details of the opportunity were posted to Sanderson Weatherall’s website and achieved 61 views.

Eddisons circulated details by email to 29,930 recipients on their external mailing list. 7,742 of these emails were opened. Eddisons also circulated details of the opportunity internally to approximately 1,000 individuals. They also posted details onto their firm’s website and achieved 149 views.

In total I received nine enquiries requesting further information. Each of these parties were sent a non-disclosure agreement (“NDA”) to sign before I released further information to them. I received seven signed NDA’s and sent further information to these parties. I entered into further dialogue with four of these parties resulting in the receipt of one offer.

Details of the pre-pack sale

The Company’s business and assets were sold on 2 March 2023 immediately following my appointment as Administrator to Vmoto Soco UK Distribution Limited for £556,578. The purchaser is not a connected party as defined by the insolvency legislation.

It is not believed that the Company’s directors had given guarantees for amounts due from the Company to a prior financier who is financing the buyer.

As stated above and repeated here, the following assets were sold on a going concern basis:

Asset category	Market value ex-situ (£)	Sale Consideration (£)
<i><u>Fixed charge assets</u></i>		
Goodwill, Company Records, Customer Contracts, Intellectual Property and Forward Order Book	-	159
<i><u>Floating charge assets</u></i>		
Stock	*	545,719
Plant & Machinery	11,000)	
Office Equipment	1,500)	
Motor Vehicle – Free of Finance	2,000)	10,700
Motor Vehicle – Free of Finance	5,000 to £10,000)	
Motor Vehicles – Subject to HP	No equity	0
Total		556,578

I also licensed the buyer to occupy the Company's leased trading premises for a period of time following completion of the sale and collected a licence fee of £17,555 plus VAT to enable me to discharge rent and charges associated with the lease during the licence period.

The contracts of employment of the Company's employees have transferred to the buyer by virtue of the Transfer of Undertaking (Protection of Employment) Regulations 2006 ("TUPE"). As a result, no employee claims in connection with the termination of their employment will arise. One employee had notified the Company of a potential claim in connection with their employment. The terms of the sale include a provision for a further payment of £11,400 by the buyer after a further 6 months in the event that this claim does not proceed. This additional consideration is not material to the sale and, for that reason, no security has been obtained from the buyer for this deferred element.

Conclusion

I have taken into account the Company's position as the sole authorised importer and distributor of its product range. The Company had no right to assign the distribution agreement with the manufacturer. The manufacturer stated that they would be reluctant to supply any buyer who was not approved by them. In the absence of any alternative offers within the timescale available and my agent's clear recommendation I accepted the offer received. I confirm that the sale price achieved represented the best available outcome for creditors of the Company as a whole in all the circumstances of the case and that the pre-pack sale achieves the statutory purpose of the Administration that I am seeking to achieve in respect of the Company.

Other assets not forming part of the pre-pack sale may be sold independently and may realise further value for the benefit of creditors. These include a number of bikes loaned out as demonstration stock and a stock of parts with a customer to be utilised for repairs to their fleet. It has not been possible to verify this stock which is not in the Company's possession or for my agents to place a value on it for the purpose of these proposals. However, I shall attempt to realise this stock during the course of the administration.

It has been necessary for me to incur costs to complete the pre-pack sale, details of which were negotiated prior to my appointment. In addition, I have undertaken routine statutory and compliance work set out at Appendix 1 and incurred costs as a result. These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

5. FINANCIAL POSITION OF THE COMPANY

I have asked the directors to prepare a summary of the Company's estimated financial position as at 2 March 2023, which is known as a Statement of Affairs. However, in order to notify creditors of my appointment and explain details of the pre pack sale, these proposals have been issued before the directors have had an opportunity to prepare and send me their statement of affairs.

In the absence of a Statement of Affairs I have prepared an estimate of the financial position of the Company as at 2 March 2023 from the records of the Company. I attach a copy of the estimate at Appendix 2, together with a list of names and addresses of all known creditors and the amounts of their debts.

Comments the Administrator's estimate of the financial position of the Company

5.1. Motor Vehicles subject to Hire Purchase Finance

The Company had three vehicles that were subject to Hire Purchase financing. These asset were valued by our agents and were estimated to have a realisable value of £32,500. These vehicles were subject to finance with a balance of £47,800 and therefore there is no realisable equity in these vehicles.

5.2. Buildings

The Company's records show that £3,150 had been capitalised in respect of works made to the buildings it occupied. These are not anticipated to be realisable.

5.3. Assets sold in the Pre Pack Sale

As reported above the following assets were sold as part of the Pre Pack Sale. Further details are included in section 4 of this report.

- Computer Equipment
- Fixtures & Fittings
- Office Equipment
- Plant & Equipment
- Stock
- Motor Vehicles
- Intellectual Property

5.4. Cash at Bank

The Company's records show that £6,543 is held in the Company's bank account. I anticipate that this will be fully realisable.

5.5. Debtors

The Company's records show that there are debtors in the sum of £663,363.86. Of this amount, £32,000 is anticipated to be realisable after taking into account known bad debts.

5.6. Parts held with third party

In addition to the stock and parts that were sold as part of the Pre Pack Sale, there are parts that are held by a third party. These are shown to have a book value in the sum of £78,328 however it is currently uncertain how much will be realised in respect of these.

5.7. Demo Bikes

The Company had a number of demo bikes that it had provided to a number of customers. These were fully written off in the Company's balance sheet for accounting purposes. It is currently uncertain if these bikes are realisable.

5.8. Licence Fee

I have received £17,555 plus VAT in respect of a licence fee granted as part of the Pre Pack Sale to enable me to discharge rent and charges associated with the lease during the licence period.

5.9. Preferential creditors

The only known ordinary preferential creditor is amounts due to the Company's pension scheme in respect of amounts deducted from the final payroll run prior to the Pre-Pack Sale. £908.87 is owed in respect of this period.

HMRC are secondary preferential creditors for certain specified debts, such as VAT, PAYE, employee National Insurance Contributions, student loan deductions and Construction Industry Scheme deductions. Secondary preferential debts are payable after all ordinary preferential debts have been paid in full, and before non-preferential unsecured debts. £738,701 is shown as been due to HMRC in respect of secondary preferential debts.

5.10. Prescribed part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £800,000.

The Company gave floating charges to Finance for Enterprise Limited dated 27 November 2020 and FFE SPV Limited on 27 November 2020 and the prescribed part provisions will apply. The Administrator's estimate of the financial position of the Company shows that the net property of the Company is £NIL, and I estimate that the prescribed part of the net property for unsecured creditors is £NIL.

5.11 Debts Secured by Floating Charges

Finance for Enterprise Ltd and its associated company FFE SPV Limited are shown at Companies House as having a registered charge over the Company's assets. It is shown that £169,841 is due from the Company to them in this matter. It will be the duty of the Administrator to evaluate the validity of this charge in due course.

5.12 Non-Preferential Debts

The Company had a number of Non-Preferential Unsecured creditors who are owed £3,266,774 in this matter.

6. ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT

There have been no receipts or payments to date. My solicitors are holding £577,644.31 representing the balance paid on completion of the sale of the business on 2 March 2023.

7. PROPOSED FUTURE ACTIONS OF THE ADMINISTRATOR TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

In order to achieve the objective of the Administration of the Company I propose to

- (i) complete the sale of the Company's business and certain of its assets to Vmoto Soco UK Limited;
- (ii) instruct my agents to dispose of the remainder of the Company's assets either by private treaty sale or by public auction;
- (iii) sell the Company's assets at such time(s) on such terms as I consider appropriate;
- (iv) collect book debts and other sums due to the Company;
- (v) distribute the available funds to secured and preferential creditors as appropriate;
- (vi) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
- (vii) do all such things and generally exercise all my powers as Administrator as I consider desirable or expedient at my discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals.

Based on current known information about the Company's financial position, and after taking into account the anticipated office holders' fees and expenses, I think that any ordinary preferential creditors will be paid in full and that a dividend will be paid to secondary preferential creditors, as shown by the enclosed estimated outcome statement at Appendix 3.

I also think that it is unlikely that any dividend will be paid to unsecured creditors, as shown by the enclosed estimated outcome statement at Appendix 3.

8. ADMINISTRATOR'S REMUNERATION AND EXPENSES

My practice fee recovery policy may be accessed at www.kingsbridgecs.com/resources. In this case I am seeking to fix the basis of my remuneration on a time cost basis i.e. by reference to time properly spent by me and members of staff of the practice at our standard charge out rates. When I seek approval for my fees on a time cost basis I have to provide a fees estimate. That estimate acts as a cap on my time costs so that I cannot draw fees of more than the total estimated time costs without further approval from those who approved the fees. I attach at Appendix 4 a "Fees estimate summary" that sets out the work that I intend to undertake, the hourly rates I intend to charge for each part of the work, and the time that I think each part of the work will take. It includes a summary of that information in an average or "blended" rate for all of the work being carried out within the estimate. In summary, I am seeking to be remunerated on a time cost in respect of the work my staff and I undertake in respect of the following categories of work.

Administration: This represents the work that my staff and I have to undertake in respect of the routine administrative functions of the case, including preparing, reviewing and issuing statutory reports. It also includes my control and supervision of the work done by my staff on the case together with the

supervisory functions of my managers. Such work does not give direct financial benefit to the creditors, but I have to undertake it in order to meet my obligations under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that I must follow.

Realisation of assets: This represents the work I will undertake to protect and then realise the Company's assets. It also includes work in connection with supervising the professional advisors that I intend to instruct to assist me in realising the Company's assets. More details about those professional advisors is set out below.) If the Company's assets are recovered, I will first use the proceeds to meet the costs and expenses of the case and then distribute any balance to the creditors in the statutory order of priority.

Creditors: I need to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of my management of the case, and to ensure that I have accurate information about who to send notices and reports to. I will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. I am required to undertake this work as part of my statutory functions.

Investigations: The insolvency legislation gives me powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure and also in respect of matters such as misfeasance and wrongful trading. I am required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors.

If I identify potential recoveries, or matters for further investigation, then I will need to undertake additional work to investigate them in detail and attempt recovery where necessary. I cannot fix the basis of my remuneration for dealing with such unknown or uncertain assets at present, and if such assets are identified I will seek approval for an appropriate fee basis.

I am also required by legislation to report to the Secretary of State on the conduct of the directors. I have to undertake this work to enable me to comply with this statutory obligation, which is of no direct benefit to the creditors, although it may identify potential recovery actions.

More details of the tasks included in these categories are included in the fees estimate. I estimate that the total time costs that I will incur in undertaking these tasks in this case will be £44,969.00 at a "blended" rate of £206.09 per hour.

Details of the routine statutory and compliance tasks I expect to be required to undertake in this matter are shown in Appendix 5.

To date a total of 23.6 hours have been spent undertaking tasks in respect of these categories of work, and total time costs to date are £5,074.00 charged at an average charge out rate of £215.00. Details of the time units used and current charge-out rates are provided in our practice fee recovery policy. I also attach at Appendix 6 an analysis of time costs incurred to date by reference to grade of staff and tasks undertaken by reference to the different categories of work.

This fees estimate has been provided to creditors at an early stage in my administration of the case and before I have full knowledge of the case. While all possible steps have been taken to make this estimate as accurate as possible, it is based on my current knowledge of the case and my knowledge and experience of acting as office holder in respect of cases of a similar size and apparent complexity. As a result, the fees estimate does not take into account any currently unknown complexities or difficulties that may arise during my administration of the case.

If my time costs incurred on the case exceed the estimate, or are likely to exceed the estimate, I will provide an explanation as to why that is the case in the next progress report I send to creditors. Since I cannot draw remuneration in excess of my fees estimate without first obtaining approval to do so, then where I consider it appropriate in the context of the case, I will seek a resolution to increase the fee estimate so that I will then be able to draw additional remuneration over and above this fees estimate.

I only anticipate needing to seek approval to draw fees in excess of the estimate if any currently unknown complexities or difficulties arise during my administration of the case; or if my initial investigations identify further areas of investigation, potential further asset recoveries and any associated recovery actions; or if the realisation of assets gives rise to the need to participate in arbitration or legal proceedings.

Based on the value of the known assets of the Company I anticipate being able to draw my fees estimate in full.

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder and then reimbursed to the office holder from the estate. Expenses are split into:

- category 1 expenses, which are payments to persons providing the service to which the expense relates who are not an associate of the office holder; and
- category 2 expenses, which are payments to associates or which have an element of shared costs. Before being paid category 2 expenses require approval in the same manner as an office holder's remuneration.

The following professional advisors have undertaken work on this case to date:

Professional Advisor	Nature of Work	Fee Arrangement
Clarion	Legal services	Time Costs

Clarion have assisted me to complete the pre-pack sale of the Company's business and assets.

My choice of professional advisors was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also confirmed that they hold appropriate regulatory authorisations. I consider that the basis on which they will charge their fees represents value for money.

I anticipate instructing the following professional advisors to undertake further work on this case:

Professional Advisor	Nature of Work	Fee Arrangement
Sanderson Weatherall	Realising assets not forming part of the pre-pack sale	% of realisations
Clarion	Legal advice	Time costs

Sanderson Weatherall shall realise assets not forming part of the pre-pack sale.

Clarion shall provide legal advice on any matters arising generally in the Administration.

My choice of professional advisors is based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I have also confirmed that they hold appropriate regulatory authorisations and will ensure that the basis on which they will charge their fees represents value for money.

I have incurred no expenses to date.

I anticipate that category 1 expenses totalling £42,217.12 will arise in this case (£17,555 of which will be offset by the receipt of the licence fee referred to in section 4 of these proposals), as detailed in Appendix 7. I am able to pay expenses without needing to obtain approval, but when I issue statutory reports I will

compare the actual expenses incurred with the original estimate provided and will explain any material differences.

I am required to seek approval before I can pay any expenses to associates, or pay expenses where there is an element of shared costs, which are known as category 2 expenses. I have incurred no category 2 expenses to date.

Information about the expenses with an element of share costs that I intend to recover, and the basis on which they are to be recovered, are included in my practice fee recovery policy.

I anticipate that category 2 expenses totalling £54.00 will arise in this case, and I am seeking a decision from creditors to enable me to pay such expenses.

In total, I anticipate that category 1 and category 2 expenses of £42,271.12 will arise in this case.

I have already commented in this report about the likelihood of a return being made to each class of creditor of the Company, but also attach at Appendix 3 an estimated outcome statement. This sets out in numerical form the anticipated realisations that will be made, based on the estimated value of the Company's assets as detailed earlier in my report, together with the estimated payments to be made, based on my proposed remuneration and estimated expenses as detailed above. While every effort has been taken to make this as accurate as possible, creditors will appreciate that it will be affected by any differences between the amounts actually realised compared with the estimated value of assets, and by any differences between actual expenses incurred and those included in my estimate.

I am not seeking a decision from the creditors on whether or not to approve these proposals as the Company's financial position means there are insufficient assets to pay a dividend to non-preferential unsecured creditors other than by way of the prescribed part of the net property.

As a result, it will be for the charge holders and preferential creditors to approve my remuneration and category 2 expenses.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.kingsbridgecs.com/resources. There are different versions of these Guidance Notes, and in this case please refer to the most recent version. Please note that we have also provided further information about an office holder's remuneration and expenses in our practice fee recovery policy.

9. PRE-ADMINISTRATION COSTS

The Board of Directors instructed me to assist them in placing the Company in Administration on 7 February 2023. They agreed that I should be paid my pre-administration costs on a time cost basis estimated at between 15,000 and £20,000 plus VAT. I attach at Appendix 8 a detailed time cost table showing the pre-appointment time costs incurred by category and staff grade at my firm.

The following work was undertaken:

- gathering information from the Company to understand its financial position;
- advising the board of directors with regard to the Company's options;
- marketing the business and assets of the Company for sale;
- receiving and responding to enquiries received from potential purchasers of the Company's business;
- corresponding with the Company's bankers;
- instructing and liaising with solicitors regarding the pre pack sale;
- instructing and liaising with agents regarding the valuation of the Company's assets;
- considering offers received for the Company's business and assets;

Prior to my appointment, the Company paid £18,750.00 towards my costs.

I was also paid £4,500.00 plus VAT for reviewing and commenting on the Company's financial position, the directors' duties and responsibilities and the options available to the Company.

In addition to my own time costs, the following expenses were incurred:

- legal fees in connection with the preparation and filing of documentation to complete my appointment. They also drafted the agreement for the pre-pack sale of the Company's business and assets, advised me on matters arising therefrom and responded to queries raised by the purchaser's solicitors;
- agent's fees to market the business and assets for sale to ensure that the opportunity had been brought to the attention of any likely potential buyers and ensure that the best price was obtained from a sale;
- agent's fees for the inspection, inventory and valuation of assets;

This work was required to complete my appointment and enable me to evaluate and complete the pre-pack sale of the Company's business and assets for the benefit of creditors and to ensure that the statutory purposes of the Administration could be completed.

I also assisted the Board take the appropriate steps to place the Company into Administration. This task, together with some of the other tasks mentioned above are required by statute or regulatory guidance, and whilst they do not produce any direct benefit for creditors, they still have to be carried out.

The following statement sets out my pre-administration costs incurred. The statement also shows those fees and expenses that were paid prior to the Administration and those where approval is being sought to pay them from Administration funds.

Description	Paid Pre Appointment (£)	To be Paid (£)
Administrator's pre-appointment remuneration	18,750.00	22,961.00
Legal Fees	0.00	37,096.50
Valuation agents	0.00	7,750.00
Marketing	0.00	1,320.00
Total	18,750.00	69,127.50

The pre-administration costs that have already been paid were paid prior to my appointment by the Company.

As I have already indicated, I am not seeking a decision from the creditors approving my proposals. As a result, it will be for the charge holders and preferential creditors to approve the pre-administration costs.

Clarion Solicitors undertook the necessary legal formalities to put the company into Administration. Their costs for providing that work were £9,000. They also drafted the agreement for the pre-pack sale of the Company and became involved in lengthy negotiations with the purchaser's solicitor to agree the terms of the sale at a cost of £27,996.50 and disbursements of £100.

Sanderson Weatherall identified likely interested parties and circulated those parties by email with details of the business and assets for sale. They directed any responses to me. They visited the Company's premises, prepared an inventory of the Company's fixed assets. They inspected the Company's stock and valued the assets generally.

Eddisons identified likely interested parties and circulated those parties by email with details of the business and assets for sale. They directed any responses to me.

10. ADMINISTRATOR'S INVESTIGATIONS

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. A creditors' questionnaire has been made available with these proposals for you to complete to provide information to me if required. I would stress that this request for information forms part of my normal investigation procedure.

11. EU REGULATION ON INSOLVENCY PROCEEDINGS

I consider that these are "COMI proceedings" since the Company's registered office and its trading address are in the United Kingdom, such that its centre of main interest is in the United Kingdom.

12. ADMINISTRATOR'S PROPOSALS

In order to achieve the objective set out at section 3 above, I formally propose to creditors that:

- (a) I continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that I:
 - (i) complete the sale of the Company's business and certain of its assets to Vmoto Soco UK Limited;
 - (ii) instruct my agents to dispose of the remainder of the Company's assets either by private treaty sale or by public auction;
 - (iii) sell the Company's assets at such time(s) on such terms as I consider appropriate;
 - (iv) collect book debts and other sums due to the Company;
 - (v) distribute the available funds to secured and preferential creditors as appropriate;
 - (vi) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
 - (vii) do all such things and generally exercise all my powers as Administrator as I consider desirable or expedient at my discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals.

- (b) the Administration of the Company will end by filing notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered.
- (c) the Administration will end by the presentation of a winding up petition to the Court for the compulsory liquidation of the Company, and propose that I, Sarah Louise Burge am appointed the Liquidator of the Company by the Court.
- (d) the Administration of the Company will end by making an application to Court for an order that the Administration ceases.
- (e) the Administration of the Company will end by giving notice to the Court, creditors and Registrar of Companies that the objective of the Administration has been achieved.

13. APPROVAL OF PROPOSALS

The financial position of the Company means that it has insufficient assets to enable a dividend to be paid to non-preferential unsecured creditors other than by way of the prescribed part. As a result, I am prohibited by the insolvency legislation from seeking a decision from the creditors to consider these proposals.

However, a creditor, or creditors, whose debts amount to at least 10% of the total debts of the Company can require me to hold a decision procedure to enable creditors to consider whether or not to approve these proposals and/or to consider such other decision as they see fit. Such a request must be received by me within eight business days from the date these proposals are delivered to the creditors. If creditors do not require me hold a decision procedure within that time period, then these proposals will be deemed to have been approved.

Creditors should note that I need not initiate the decision procedure unless the creditor, or creditors, requisitioning the decision procedure provides me with such amount that I request from them to meet the expenses of the requisitioned decision procedure.

14. FURTHER INFORMATION

To comply with the Provision of Services Regulations, some general information about Kingsbridge Corporate Solutions Limited, including about our complaints policy and Professional Indemnity Insurance, can be found at www.kingsbridgecs.com/resources.

If creditors have any queries regarding these proposals or the conduct of the Administration in general, or if they want hard copies of any of the documents made available on-line, they should contact Martin Smith on 01482 337500, by email martin.smith@kingsbridgecs.com or by writing to 1st Floor, Lowgate House, Lowgate, Hull, HU1 1EL.



Sarah Louise Burge
ADMINISTRATOR

The Administrator is an agent of the Company and acts without personal liability.

Details of work undertaken in the Administration to date

1. Administration

This represents the work involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical case files.
- Setting up the case on the practice's electronic case management system and entering data.
- Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.
- Obtaining a specific penalty bond.
- Dealing with all routine correspondence and emails relating to the case.
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Overseeing and controlling the work done on the case by case administrators.

2. Creditors

The office holder needs to maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder also needs to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of her statutory functions.

VMOTO UK Distribution Limited - in Administration

Administrator's Estimate of the Financial Position at 2 March 2023

	Book Value £	Estimated to Realise £
Assets Specifically Pledged		
Motor Vehicles	76,674	32,500
BNP		(47,800)
Deficiency carry forward		(15,300)
Assets Not Specifically Pledged		
Buildings	3,150	0
Computer Equipment	3,610)
Fixtures & Fittings	4,049)
Office Equipment	1,689) 10,700
Plant & Machinery	18,323)
Motor Vehicles	14,500)
Cash at Bank	6,543	6,543
Debtors	663,364	32,000
Stock	678,112	335,256
Parts	428,526	210,463
Parts held with third party	78,328	uncertain
Demo Bikes	0	uncertain
Intellectual Property	0	159
Licence Fee		17,555
Available for Preferential Creditors		612,676
Preferential Creditors		
Pension		(909)
Secondary Preferential Creditors		
HM Revenue & Customs	VAT	(660,964)
	PAYE/NIC	(77,736) (738,701)
Available for Floating Chargeholders		(126,933)
Debts secured by floating charge		
Finance for Enterprise		(169,841)
Available for Unsecured Creditors		(296,774)
Non-Preferential Creditors		
Deficiency brought down		(15,300)
Trade and Expense Creditors		(1,918,460)
Pension		(682)
HM Revenue & Customs	NIC	(35,353)
	Corporation Tax	(112,000)
Intercompany Loans		(1,012,979)
Metrobank		(172,000)
		(3,266,774)
Estimated deficiency as regards Creditors		(3,563,547)
Shareholders		
Share Capital		(16,491)
Estimated Deficiency as Regards Members		(3,580,038)

This statement is subject to the costs of Administration

Vmoto UK Distribution Limited
Company Registered Number: 09524709
Company Creditors

Key	Name	Address	£
C20000	21St Moto	London Road, Swanley, Kent, BR8 7AQ	3,088.75
CA0000	Abax UK Ltd	Allia Business Centre - Abax Stadium, London Road, Peterborough, PE2 8AN	252.00
CA0001	Adobe Systems Software	4-6 Riverwalk, Citywest Business Park, Dublin 24, Ireland	101.68
CA0002	Allied Welding & Engineering Supplies Ltd		123.34
CA0003	Apple	Hollyhill Industrial Estate, Hollyhill, Cork, Ireland	49.99
CA0004	ASC Metals	Westminster Ind Est, Station Road, North Hykeham, Lincoln, LN6 3QY	1,062.00
CA0005	Alan Roberts	Chapel House, Navenby, Lincoln, LN5 0ER	750.00
CB00	BNP Paribas Leasing Solutions	Northern Cross, Basing View, Basingstoke, RG21 4HL	47,800.00
CB0001	Bike It International	Unit 9 Oriana Way, Nursling industrial Estate, Southampton, SO16 0YU	436.79
CC0000	Cable Warehouse	Unit 29, Red Lion Business Park, Surbiton, Surrey, KT6 7QD	266.40
CC0001	Chapel House B & B		1,100.00
CC0002	City Ebikez	Unit 3 Richmond Place, Central Ave Leemill Ind Estate, Plymouth, PL21 9RL	43.20
CC0003	Clearwater Commercial Investments	Wimberley Park, Knapp Lane, Minchinhampton, Stroud, GL5 2TH	24,757.96
CD0000	Dafferns	One Eastwood, Binley Business Park, Coventry, CV3 2UB	27,807.40
CD0001	Dan Frost	58 Wear Barton Road, Exeter, EX2 7EQ	252.00
CD0002	Davant Bikes	Broomhill Way, Torquay, TQ2 7QL	26.40
CD0003	Dell	Dell House, Cain Road, Bracknell, RG12 1LF	2,192.26
CD0004	Denis Morrison Fire Protection Engineers	Ash Tree Cottage, Lynam Road, Fritchley, DE56 2HQ	120.00
CD0005	DHL	Customer Accounting, PO Box 4833, Slough, SL3 3JE	114.80
CD0006	Discount Motoring Ltd	321-327 Gallowgate, Glasgow, G40 2EF	60.00
CD0007	Dorchester Collection	Winterbourne Abbas, Dorchester, DT2 9LU	35.19
CE0000	Elite Rider Training	Birch Garage yard, Manchester Road, Heywood, OL10 2QD	2,250.00
CE0001	Emtac	IPM SPV ONE Ltd, Gibson House, Ermine Business Park, Huntingdon, PE29 6XU	16,766.61
CE0002	Europa Worldwide Group	Shield Road, Darford, Kent, DA1 5UR	9,711.07
CE0003	EventPro Solutions Limited	Unit 1 Ninian Park, Ninian Way, Tamworth, B77 5ES	672.00
CE0004	Evolve Technologies	1 Milnyard Square, Orton Southgate, Peterborough, PE2 6GX	9,671.88
CF00	Finance for Enterprise	Oak House, Heavens Walk, Doncaster, DN4 5HZ	169,840.50
CF0001	Fedex	PO Box 186, Ramsbottom, Bury, BL0 9GR	137.37
CF0002	Fisher Motor Factors Ltd	4 Kinglsey Court, Kingsley Road, Lincoln, LN6 3TA	1,032.89
CF0003	Fowlers Of Bristol	2-12 Bath Road, Bristol, BS4 3DR	147.40

Vmoto UK Distribution Limited
Company Registered Number: 09524709
Company Creditors

Key	Name	Address	£
CG0000	Gas Direct	Whitehouse Farm, Valley Lane, Long Bennington, Notts, NG23 5EE	147.61
CG0001	Goodyear	Avenue Gordon Smith, L-7750 Colmar-Berg, Luxembourg	504.00
CG0002	Google		22.99
CG0003	GS Couriers (Lincoln)	Unit 5 Electric Avenue, Witham St Hughes, Lincoln, LN6 9BJ	1,654.85
CG0004	Greenmo UK Limited	Arches 54 & 63, King James Street, London, SE1 0DH	1,012,979.36
CH00	HMRC VAT	Debt Management, BX9 1SH	660,964.40
CH01	HMRC PAYE	Debt Management, BX9 1SH	113,088.86
CH02	HMRC CT	CT Services, BX9 1AX	112,000.00
CH0003	Hoco Parts Uk	Unit 1 Station Road, Huddersfield, HD2 1US	3,592.19
CH0004	HOLESHOT PR	20 Springhead Road, Kemsing, Kent, TN15 6QL	2,940.00
CI0000	i3MEDIA Limited	Unit 2, 1st Floor, Flag Business Exchange, Vicarage Farm Road, Peterborough, PE1 5TX	2,700.00
CI0001	IPM SPV ONE LIMITED	Gibson House, Lancaster Way, Ermine Business Park, Huntingdon, PE29 6XQ	520.54
CJ0000	JS Forwarding		100.00
CK0000	Kashflow	Heathrow Approach, 470 London Road, Slough, SL3 8QY	10.80
CM0000	MCIA	1 Rye Hill Office Park, Birmingham Road, Allesley Coventry, Coventry, CV5 9AB	14,834.40
CM0001	MCIA Events Ltd	1 Rye Hill Office Park, Birmingham Road, Allesley Coventry, Coventry, CV5 9AB	138.00
CM0002	Minto Branding	Anchor House, Main Road, Blackburn, AB21 0BP	1,308.00
CM0003	Mteck	Unit 5 Greens Yard, Highdyke, navenby, Lincoln, LN5 0JW	4,042.75
CM0004	Metro Bank	6th Floor, 55 Bishopsgate, London, EC2N 3AS	172,000.00
CN00	NEST Pension	Nene Hall, Lynch Wood Business Park, Peterborough, PE2 6FY	1,590.54
CN0001	NBP Estates	First Floor Waterside House, Wimberley Park, Knapp Lane, Stroud, GL5 2TH	6,701.18
CN0002	North East Industrial Fork Trucks Limited	61 Hutton Close, Crowther Ind Est, Washington, NE38 0AH	249.96
CN0003	North Kesteven	Revenue & Benefits, PO BOX 1257, Lincoln, LN5 5PQ	5,017.06
CO0000	On 2 Wheels	Phoenix Way, Garngoch, Swansea, SA4 9HN	1,996.34
CR0000	Reflect Recruitment	3-5 London Road, Newark, Notts, NG24 1TN	100.99
CS0000	Shiremoor Press	Mylord Crescent, Camperdown Ind Est, Newcastle upon Tyne, NE12 5UJ	2,212.60
CT0000	The Answer Centre	Hudson House, 8 Albany Street, Edinburgh, EH1 3QB	126.48
CT0001	Thorough Events	Thomas House, 84 Eccleston Square, London, SW1V 1LP	6,000.00
CT0002	Tiger Recruitment	91 Wimpole Street, London, W1G 0EF	0.30
CT0003	Tommy Hill Promotions	design@tommyhillpromotions.com	360.00

Vmoto UK Distribution Limited
Company Registered Number: 09524709
Company Creditors

Key	Name	Address	£
CT0004	Eclipse Telecom Networks Ltd	16 Bankside, The Watermark, Gateshead, NE11 9SY	727.40
CV0000	Venator Capital Ltd	Wilson House, 2 Lorne Park Road, Bournemouth, BH1 1JN	2,182.30
CV0001	Vital Parts	Unit 17 Palace Ind Est, Bircholt Road, Maidstone, Kent, ME15 9XU	183.00
CV0002	Vmoto Soco International Pte Ltd	15 East Zhongxing Road, Lishui Economic Development Zone, Nanjing City, CHINA	1,757,057.26
64 Entries Totalling			4,208,724.04

VMOTO UK Distribution Limited - in Administration

Estimated Outcome Statement as at 2 March 2023

	Estimated to Realise
Available for Preferential Creditors	612,676
Less Costs	
Pre Administration Costs not yet paid	(22,961)
Marketing Expenses	(1,320)
Administrator's Fees	(44,969)
Administrator's Expenses	(42,271)
Agent's / Valuer's costs	(7,750)
Pre Appointment Legal Fees and Disbursements	(37,096)
Available for Preferential Creditors	456,309
Preferential Creditors	
Pension	(909)
Secondary Preferential Creditors	
HM Revenue & Customs	(738,701)
Available for Floating Charge Creditors	(283,300)
Finance for Enterprise	(169,841)
Available for Non-Preferential creditors	(453,141)
Non-Preferential Creditors	
Deficiency brought down	(15,300)
Trade and Expense Creditors	(1,918,460)
Pension	(682)
HM Revenue & Customs	(35,353)
NIC	
Corporation Tax	(112,000)
Intercompany Loans	(1,012,979)
Metrobank	(172,000)
Estimated deficiency as regards Creditors	(3,719,914)
Shareholders	
Share Capital	(16,491)
Estimated Deficiency as Regards Members	(3,736,405)

FEES ESTIMATE SUMMARY

VMOTO UK DISTRIBUTION LIMITED

The office holder is seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. This document provides an estimate as to how much time the office holder and his staff will spend undertaking specific tasks within broad categories of work, and the time costs of undertaking such work, which will depend upon the grade, or grades, of staff undertaking the work and the number of hours spent undertaking the work by each grade of staff. The estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at what is known as a blended hourly charge out rate for that category of work. The sum of all the estimates for the different categories of work is the total estimated time costs to undertake all the necessary work on the case. Again, we have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for the case as a whole.

The hourly charge out rates that will be used on this case are: £

Director – appointment taker	295.00
Associate Director	275.00
Manager	225.00
Assistant Manager	200.00
Senior Administrator	190.00
Administrator	175.00
Assistant Administrator	135.00
Practice Administrator	95.00
Support staff	95.00

ADMINISTRATION AND PLANNING (Note 2)

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work (hours)	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
Strategy & Review	21.10	4,932.50	
Tax - Post Appointment Returns	3.00	545.00	
Correspondence & Meetings with debtor/directors	7.50	1,562.50	
Billing	5.00	955.00	
Pension Scheme General	4.00	800.00	
Cashiering (Admin)	6.00	750.00	
Filing & Secretarial	10.00	950.00	
Statutory Documentation	7.00	1,025.00	
Statutory Documentation on Appointment	8.30	1,330.50	
Set up Case Files and Case Management System	-	-	
Closure Review/Clearance	5.00	955.00	
Cashiering (Closure)	-	-	
Closure - Statutory Returns	0.70	122.50	
Total:	77.60	£13,928.00	£179.48

Much of the work in this category shall be carried out by junior administrative staff resulting in a blended charge out rate which is lower than the overall blended rate for the assignment

INVESTIGATIONS (Note 3)

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
Investigations	5.00	1,125.00	
Paid Work (CDDA)	5.00	1,375.00	
CDDA Return/Report	8.00	2,120.00	
Books & Records	4.00	670.00	
Total:	22.00	£5,290.00	£240.45

Most of this work shall be carried out by experienced staff resulting in a blended charge out rate which is higher than the overall blended rate for the assignment

REALISATION OF ASSETS (Note 4)

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
FX General	-	-	-
FX Freehold/Leasehold Property	-	-	-
FX Book Debts	-	-	-
FX Goodwill	-	-	-
FX Plant, Machinery, Furniture, Fixtures & Fitting	-	-	-
FX Motor Vehicles	0 20	55 00	-
FX Intellectual Property	-	-	-
FX Cash/Bank	-	-	-
Assets General	10 90	2,407 50	-
Freehold/Leasehold Property	-	-	-
Book Debts	15 00	2,845 00	-
Goodwill	-	-	-
Plant, Machinery, Furniture, Fixtures & Fittings	-	-	-
Motor Vehicles	-	-	-
Intellectual Property	-	-	-
Cash/Bank	0 10	27 50	-
Stock/WIP	-	-	-
Matrimonial Home	-	-	-
Sale of Business	-	-	-
Litigation - Asset Recovery	-	-	-
Tax Refund	-	-	-
Cashiering (Assets)	1 00	135 00	-
Insurance	2 70	522 50	-
VA Contributions/PO/IPA	-	-	-
Liassing with Agents/Valuers	7 00	1,425 00	-
Total:	36 90	7,417 50	£201 02

The work in this category shall be carried out by mix of suitably experienced staff resulting an a blended charge out rate which is representative of the overall blended rate for the assignment

CREDITORS (Note 5)

Description of the tasks to be undertaken in this category of work	Estimated time to be taken to undertake the work	Estimated value of the time costs to undertake the work £	Blended charge out rate to undertake the work £
Claims Agreement	-	-	-
Other Creditor Related Activity	3 40	691 00	-
Annulment	-	-	-
Prescribed Part	-	-	-
Variation Agreement	-	-	-
Distribution - Members	-	-	-
Distribution - Secured Creditors	4 00	980 00	-
Distribution - Pref Creditors	7 00	1,805 00	-
Distribution - Unsecured Creditors	-	-	-
Tax - Claims	-	-	-
Creditors/ Shareholders Meetings	-	-	-
Creditor Correspondence/ Queries	17 00	3,395 00	-
Secured Creditors Correspondence/ Queries	-	-	-
Final Report/Meeting	14 00	2,970 00	-
Creditors Committee	-	-	-
Employee Queries and Correspondence	-	-	-
Pension Scheme Creditors	-	-	-
ROT	4 00	800 00	-
Reporting to Secured Creditors	3 00	845 00	-
Reporting to Creditors	14 00	2,970 00	-
Administrator's Proposals	15 30	3,877 50	-
Cashiering (Creditors)	-	-	-
Submit Employee Claims & RPS Correspondence	-	-	-
Calculation of Employee Claims & Tax Deductions	-	-	-
Total:	81 70	£18,333 50	£224 40

A large proportion of this work shall be carried out by experienced staff resulting an a blended charge out rate which is higher that the overall blended rate for the assignment

GRAND TOTAL FOR ALL CATEGORIES OF WORK	218 20	£44,969 00	£208 09
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Explanatory Note: This estimate has been provided to creditors at an early stage in the administration of the case and before the office holder has full knowledge of the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and their knowledge and experience of acting as office holder in respect of cases of a similar size and apparent complexity. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case. If the time costs incurred on the case by the office holder exceed the estimate, or is likely to exceed the estimate, the office holder will provide an explanation as to why that is the case in the next progress report sent to creditors. Since the office holder cannot draw remuneration in excess of this estimate without first obtaining approval to do so, then where the office holder considers it appropriate in the context of the case, they will seek a resolution to increase the fee estimate so that they will then be able to draw additional remuneration over and above this estimate.

Note 2: Administration and planning - This represents the work that is involved in the routine administrative functions of the case by the office holder and their staff, together with the control and supervision of the work done on the case by the office holder and their managers. It does not give direct financial benefit to the creditors, but has to be undertaken by the office holder to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Note 3: Investigations - The insolvency legislation gives the office holder powers to take recovery action in respect of what are known as antecedent transactions, where assets have been disposed of prior to the commencement of the insolvency procedure. The office holder is required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holder will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holder will provide an estimate of that benefit if an increase in fees is necessary. The office holder is also required by legislation to report to the Secretary of State on the conduct of the directors and the work to enable them to comply with this statutory obligation is of no direct benefit to the creditors, although it may identify potential recovery actions.

Note 4: Realisation of Assets - This is the work that needs to be undertaken to realise the known assets in the case. If this work is undertaken, the office holder anticipates that the assets will realise the estimated to realise amounts provided to creditors.

Note 5: Creditors - The office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of their statutory functions.

Details of work to be undertaken in the Administration and, if applicable, subsequent Liquidation

Administration:

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.

Setting up physical case files.

Setting up the case on the practice's electronic case management system and entering data.

Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment (as applicable).

Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).

Preparing, reviewing and issuing proposals to the creditors and members.

Filing the proposals at Companies House.

Seeking approval of the proposals by way of deemed consent. .

Reporting on the outcome of the approval of the proposals to the creditors, Companies House and the Court.

Dealing with all routine correspondence and emails relating to the case.

Opening, maintaining and managing the office holder's estate bank account.

Creating, maintaining and managing the office holder's cashbook.

Undertaking regular reconciliations of the bank account containing estate funds.

Reviewing the adequacy of the specific penalty bond on a quarterly basis.

Undertaking periodic reviews of the progress of the case.

Overseeing and controlling the work done on the case by case administrators.

Preparing, reviewing and issuing 6 monthly progress reports to creditors and members.

Filing progress reports at Companies House.

Preparing and filing VAT returns.

Preparing and filing Corporation Tax returns.

Seeking closure clearance from HMRC and other relevant parties.

Preparing, reviewing and issuing final reports to creditors and members.

Filing final reports at Companies House.

Realisation of assets:

Completing the pre-pack sale of the Company's business and assets.

Instructing agents to dispose of assets not forming part of the pre-pack sale.

Arranging suitable insurance over assets.

Regularly monitoring the suitability and appropriateness of the insurance cover in place.

Corresponding with debtors and attempting to collect outstanding book debts.

Supervising the work of advisors instructed on the case to assist in dealing with the collection of book debts; obtaining reports and updates from them on the work done; and checking the adequacy of the work done.

Liaising with the bank regarding the closure of the account.

Instructing agents to value known assets.

Liaising with agents to realise known assets.

Instructing solicitors to assist in the realisation of assets.

Liaising with the secured creditors over the realisation of the assets subject to a mortgagee or other charge.

Creditors:

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.

Maintaining up to date creditor information on the case management system.

Issuing a notice of intended dividend and placing an appropriate gazette notice.

Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.

Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.

Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.

Investigations:

Recovering the books and records for the case.

Listing the books and records recovered.

Submitting an online return on the conduct of the directors as required by the Company Directors Disqualification Act.

Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.

Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.

Vmoto UK Distribution Limited - in Administration

Administrator's Time Costs for the period 2 March 2023 to 8 March 2023

Classification of Work Function	Directors	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Blended Charge Out Rate (£)
Strategy & Review	1.80	0.00	0.30	0.00	2.10	567.50	270.24
Correspondence & Meetings with Debtor / Directors	0.50	0.00	0.00	0.00	0.50	137.50	275.00
Statutory Documentation on Appointment	1.50	0.00	0.00	6.80	8.30	1,330.50	160.30
Admin & Planning	3.80	0.00	0.30	6.80	10.90	2,035.50	186.74
Other Creditor Related Activity	0.80	0.00	2.60	0.00	3.40	691.00	203.24
Secured Creditors Correspondence / Queries	0.10	0.00	0.00	0.00	0.10	27.50	275.00
Administrators' Proposals	6.80	0.00	0.50	0.00	7.30	1,957.50	268.15
Creditors	7.70	0.00	3.10	0.00	10.80	2,676.00	247.78
Books & Records	0.00	0.00	0.50	0.00	0.50	87.50	175.00
Investigations	0.00	0.00	0.50	0.00	0.50	87.50	175.00
FX Motor Vehicles	0.20	0.00	0.00	0.00	0.20	55.00	275.00
Assets General	0.00	0.00	0.90	0.00	0.90	157.50	175.00
Cash / Bank	0.10	0.00	0.00	0.00	0.10	27.50	275.00
Insurance	0.00	0.00	0.20	0.00	0.20	35.00	175.00
Realisation of Assets	0.30	0.00	1.10	0.00	1.40	275.00	196.43
Total Hours	11.80	0.00	5.00	6.80	23.60	5,074.00	215.00

Estimate of expenses to be incurred in the Administration

Type of category 1 expense	Estimated Amount £
Bonding - this is insurance required by statute that every officeholder has to obtain for the protection of each estate, with the premium being based on the value of the company's assets.	1,120.00
Gazetting – various notices relating to the company have to be placed in the London Gazette.	107.00
Postage	85.12
Travel expenses	0.00
Case Management Software Licence Fees	100.00
Clarion, solicitors	5,000.00
Sanderson Weatherall, valuation agents	15,000.00
Insurance premiums	250.00
Corporation Tax	Unknown
Expenses of preparing the directors' statement of affairs	3,000.00
Rent and property expenses (funded by the licence fee paid by the purchaser of the business and assets)	17,555.00
Total estimated category 1 expenses	<hr/> 42,217.12
 Type of category 2 expense	 Estimated Amount £
Mileage	0.00
Storage of Company records - the company's accounting records have to be stored by the officeholder until 12 months after the dissolution of the company.	54.00
Total estimated category 2 expenses	<hr/> 54.00

Vmoto UK Distribution Limited - in Administration
Summary of the Administrator's pre appointment time costs

Classification of Work Function	Directors	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Blended Charge Out Rate (£)
Preparation of Statement of Affairs	1.70	0.00	0.00	0.00	1.70	497.50	292.65
Arrangements for Members' / Creditors' meeting	0.80	0.00	0.00	0.40	1.20	290.00	241.67
Advice to Company / Directors / debtor	7.10	0.00	0.00	0.00	7.10	2,094.50	295.00
Sale of Business (pre appointment)	72.80	0.00	43.50	0.00	116.30	28,602.50	245.94
Appointment Strategy and Documentation	19.80	0.00	12.50	0.00	32.30	7,956.50	246.33
Set up Case Files and Case Management System	6.40	0.00	0.00	4.40	10.80	2,270.00	210.19
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Total Hours	108.60	0.00	56.00	4.80	169.40	41,711.00	246.23