

AM10

Notice of administrator's progress report



Companies House

SATURDAY



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01/02/2020

#129

COMPANIES HOUSE

1 Company details

Company number 0 3 5 2 7 9 6 5

Company name in full C.G.P.M. Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Andrew

Surname Beckingham

3 Administrator's address

Building name/number Leonard Curtis

Street 2nd Floor

40 Queen Square

Post town Bristol

County/Region

Postcode B S 1 4 Q P

Country

4 Administrator's name ①

Full forename(s) Siann

Surname Huntley

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street 2nd Floor

40 Queen Square

Post town Bristol

County/Region

Postcode B S 1 4 Q P

Country

② Other administrator

Use this section to tell us about
another administrator.

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6 Period of progress report

From date	d	0	d	8	m	0	m	7	y	2	y	0	y	1	y	9
To date	d	0	d	7	m	0	m	1	y	2	y	0	y	2	y	0

7 Progress report

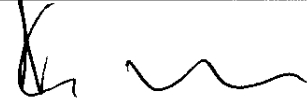
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

d	3	d	1	m	0	m	1	y	2	y	0	y	2	y	0
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LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**C.G.P.M. LIMITED t/a ESPRESSO ESSENTIAL
(IN ADMINISTRATION)**

Registered Number: 03527965

Court Ref: BR-2019-BRS-000002

High Court of Justice Business and Property Courts in Bristol - Company & Insolvency List (CHD)

**Joint Administrators' first progress report in accordance
with Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

**Report period
8 July 2019 to 7 January 2020**

31 January 2020

Andrew Beckingham and Siann Huntley - Joint Administrators

Leonard Curtis

2nd Floor, 40 Queen Square, Bristol, BS1 4QP

Tel: 0117 929 4900 Fax: 0117 927 0000

General email: recovery@leonardcurtis.co.uk

Ref: S/41/AJD/CL40B/1010

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**STRICTLY PRIVATE AND CONFIDENTIAL
NOT FOR PUBLICATION**

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 ("the Rules") to provide creditors with an update on the progress of the Administration of C.G.P.M. Limited ("the Company") for the period from 8 July 2019 to 7 January 2020. This is the Joint Administrators' first progress report to creditors.

2 STATUTORY INFORMATION

- 2.1 Andrew Beckingham and Siann Huntley were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice Business and Property Courts in Bristol - Company & Insolvency List (CHD), number BR-2019-BRS-000002 on 8 July 2019. The Administration appointment was made by the Directors of the Company. The Joint Administrators can confirm that there has been no change in office-holder since the date of Administration.
- 2.2 The Administration is being handled by the Bristol office of Leonard Curtis, which is situated at 2nd Floor, 40 Queen Square, Bristol, BS1 4QP.
- 2.3 The principal trading address of the Company was Unit 2 Oakleigh Green Nursery, Westerleigh Hill Road, Westerleigh, South Glos BS37 8QZ. The business traded as Espresso Essential.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was Unit 2 Oakleigh Green Nursery, Westerleigh Hill Road, Westerleigh, South Glos BS37 8QZ. Following the appointment, this was changed to 2nd Floor, 40 Queen Square, Bristol BS1 4QP. The registered number of the Company is 03527965.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

3 JOINT ADMINISTRATORS' PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were deemed approved by creditors on 18 August 2019.
- 3.3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.

- 3.4 The objective of the Administration is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in Administration). It is considered that this objective may be achieved as enhanced asset recoveries have been attained as a result of the immediate steps that were able to be taken to negotiate asset sales and locate and market the vehicle fleet and this could potentially lead to an improved dividend to unsecured creditors by way of a prescribed part, albeit the availability of such distribution will be subject to the outcome of on-going recovery action in relation to the overdrawn director loan account balances.
- 3.5 Should the objective referred to above not be achieved, the statutory purpose of the administration will be to realise property in order to make a distribution to secured and / or preferential creditors. This objective will be achieved as RBS Invoice Finance have been repaid in full and there is expected to be sufficient funds to enable a dividend to be paid to preferential creditors.

4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators' receipts and payments account for the period from 8 July 2019 to 7 January 2020.

Sale of Business

- 4.2 As previously reported to creditors, the business and certain assets of the Company (comprising the customer lists, stock and work in progress, furniture and equipment and four unencumbered motor vehicles) were sold on 12 July 2019 to an unconnected company Phoenix Coffee & Equipment Limited for the sum of £60,000 following the recommendation of independent RICS registered agents Gordon Brothers.

Motor Vehicles

- 4.3 Gordon Brothers were instructed to sell the Company's remaining vehicle fleet, some of which were subject to hire purchase agreements with various finance companies. Gross realisations of £55,420 were achieved, of which the amount of £22,335 was paid to the respective finance companies on account of their outstanding balances.

Book debts

- 4.4 The Company's debtor ledger was subject to an invoice discounting agreement with RBS Invoice Finance Ltd. The indebtedness to RBS has now been discharged in full and surplus funds of £439.55 have been received. The Joint Administrators have now taken over responsibility for the collection of the balance of the ledger which has a book value of some £2,805, however a number of these debts have been disputed or are subject to contra claims. There are also a number of small balances due which it would not be economic to pursue. No significant recoveries are therefore expected.

Cash at Bank

- 4.5 The sum of £1,431 has been received by the Joint Administrators in respect of a credit balance held on the Company's pre-administration bank account.

Rent Deposit

- 4.6 The sum of £2,000 has been received by the Joint Administrators being the balance of a rent deposit in respect of the Company's trading premises.

Sundry Refunds and Bank Interest

- 4.7 The Joint Administrators have also received the sum of £370 in respect of vehicle tax refunds as well £60.04 on account of bank interest accrued. A business rates refund is also expected to be received in due course.

Director's loan account

- 4.8 At the date of administration, the books and records of the Company indicated that the 3 directors had overdrawn loan accounts amounting to £285,778. These accounts have now been reconciled by the Joint Administrators and instructed solicitors Carbon Law Partners have subsequently liaised with the directors to seek their proposals for repayment of the balances considered due.

It should be noted that the director owing some 90% of the loan account balance has provided a number of personal guarantees in relation to the Company's debts as well as granting the Company's floating chargeholder, Clydesdale Bank, security over his personally owned freehold property, and is understood to have no immediate means of meeting these liabilities. The Joint Administrators, with the assistance of their legal advisors, are currently considering what further action should be taken, but given the financial circumstances, no significant recoveries are anticipated from this director.

A repayment plan based on affordability has been agreed with another director and the sum of £1,562.50 has been received to date. The director is continuing to make repayment of £50 per month. The position is subject to on-going review but the Joint Administrators currently remain of the view, supported by legal advice, that any enforced early recovery proceedings taken in relation this director is unlikely to yield a better (or possibly even any) return for creditors.

The final director has yet to provide the Joint Administrators with any settlement proposals and Carbon Law have therefore been instructed to instigate recovery proceedings with a view to achieving an optimised level of repayment for the benefit of creditors.

5 ASSETS STILL TO BE REALISED

- 5.1 Save for the overdrawn director loan account balances as noted above, there are no other known assets to be realised in this matter.

6 INVESTIGATIONS

- 6.1 Following their appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 6.2 That assessment did not identify any possible further realisations. In addition, the Joint Administrators concluded that no further investigations were required save for a further review of the director loan account positions. If, however, any creditor is aware of any particular matters which they consider require investigation, they should please send full details to this office at the address given at the front of this report.
- 6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

7 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS**Pre-Administration Costs**

- 7.1 On 20 August 2019, the secured and preferential creditors consented to the following pre-Administration costs and expenses being paid as an expense of the Administration:

Charged by	Services provided	Total amount charged £	Amount paid £
Leonard Curtis	Providing advice in relation to insolvency strategy and assisting the Directors with holding the relevant meetings and drafting the appropriate documents leading to the appointment. Initial marketing of assets.	7,650.00	7,650.00
Clarke Willmott	Dealing with appointment filing and company searches and associated expenses. Drafting asset sale contracts.	4,503.80	4,503.80

These costs have now been paid and are detailed in the receipts and payments account attached at Appendix B.

Joint Administrators' Remuneration

- 7.2 On 20 August 2019, the secured and preferential creditors agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration for an amount not exceeding £49,979, as set out in a Fees Estimate.
- 7.3 The time charged by the Joint Administrators for the period of this report amounts to £69,758.50. This represents 223.8 hours at an average rate of £311.70 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed.
- 7.4 Attached, at Appendix D, is a summary of time costs incurred to date compared with time costs as set out in the Joint Administrators' original fees estimate.
- 7.5 You will note that time costs incurred to date do exceed the time as set out in the Fees Estimate. As demonstrated at Appendix D, costs attributable to each category of time generally fall within those anticipated. However, the areas where significant variance has occurred relate primarily to assets and liabilities.
- 7.6 The additional time spent in respect of asset matters is largely due to the protracted recovery efforts in respect of the director loan account balances as reported at paragraph 4.8 above. The increased time in respect of liabilities was a result of the exercise that had to be undertaken by the Joint Administrators to review the Company's records to identify and correspond with an additional 220 potential creditors who may have unsecured claims for unfulfilled warranties and contractual supply agreements.
- 7.7 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. The Joint Administrators do not anticipate that a revised Fees Estimate will be required. However should information come to light during the course of the Administration which means that the Joint Administrators will be required to undertake work not envisaged at the time that the Fees Estimate was provided, it may be necessary for the Joint Administrators to revert to the secured and preferential creditors for further approval. The information provided above is therefore for information purposes only.
- 7.8 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" (Version 4 – April 2017) which may be downloaded from:

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

7.9 If you would prefer this to be sent to you in hard copy please contact Andrew Dally of this office on 0117 929 4900.

7.10 The remuneration drawn by the Joint Administrators to date totals £49,979 plus VAT.

8 JOINT ADMINISTRATORS' EXPENSES

8.1 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs).

These are known as "Category 2 disbursements" and are subject to the approval of the creditors. On 20 August 2019, the secured and preferential creditors also approved that category 2 disbursements could be drawn by the Joint Administrators, as detailed at Appendix F.

8.2 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix E.

8.3 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses.

8.4 During the Administration, the following professional advisors and / or subcontractors have been used due to their particular expertise and cost effectiveness in dealing with those specific matters indicated:

Professional Advisor	Service Provided	Basis of Fees
Clarke Willmott	Legal advice / sale agreement	Time costs
Carbon Law Partners	Debt recovery re director loan accounts	Time costs
Gordon Brothers Europe	Asset valuation advice	Time costs

8.5 Attached at Appendix F is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade. Please be aware that the firm's charge out rates have been amended with effect from 1 August 2019.

8.6 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.

8.7 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.

- 8.8 The application must be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question.
- 8.9 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the Administration.

9 ESTIMATED OUTCOME FOR CREDITORS

Secured Creditors

- 9.1 RBS Invoice Finance Limited provided funding in accordance with an invoice discounting agreement with the Company. RBS hold security by way of fixed and floating charges over the assets of the Company dated 30 November 2008. As at 8 July 2019, advances from RBS were £5,500 and they have now subsequently been repaid in full.

Clydesdale Bank plc provided loan and overdraft facilities to the Company and hold security by way of fixed and floating charges over the assets of the Company dated 4 May 2016. As at the date of administration, the debt owed to Clydesdale was understood to be £256,473 and subject to a director personal guarantee. Depending on the final quantum of preferential claims and the recoveries from the overdrawn director loan accounts, Clydesdale may receive a small return under their floating charge security.

Preferential Claims

- 9.2 The only categories of claims which have preferential status are those of employees in respect of wages and accrued holiday pay and certain pension contributions. Preferential claims are anticipated to amount to £12,500. It is anticipated that there should be sufficient funds available to enable a dividend to be paid to preferential creditors.

Prescribed Part

- 9.3 The Insolvency Act 1986 provides that, where a company has created a floating charge after 15 September 2003, the administrator must make a *prescribed part* of the company's net property available to the unsecured creditors and not distribute it the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims.

Based upon the information currently available, it is estimated that there may be a prescribed part fund available in this case, albeit this will be wholly dependant on the outcome of on-going recovery action in relation to the overdrawn director loan account balances. In instances where there will be no dividend to unsecured creditors, as is the case here, the prescribed part fund will be distributed at the appropriate time by the Joint Administrators.

Unsecured Non-Preferential Claims

- 9.4 From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims under £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.
- 9.5 Based on present information, it is considered unlikely that there will be sufficient funds available to enable a distribution to Unsecured Creditors other than potentially by way of the prescribed part. A statement has previously been made in accordance with paragraph 52(1)(b) of Schedule B1 of the Act. Creditors should however continue to submit details of their claims using the Proof of Debt form attached at Appendix G.

10 MATTERS STILL TO BE DEALT WITH

- 10.1 Matters still to be dealt with before conclusion of the Administration include the following:

- The realisation of the remaining assets, as detailed in sections 4 and 5;
- The formal agreement of creditor claims and payment of the prescribed part fund and floating charge distribution if funds permit;
- Payment of a dividend to the preferential creditors; and
- The settlement of unpaid expenses of the proceedings.

11 EXTENSIONS TO THE ADMINISTRATION

- 11.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 11.2 In certain circumstances it may be necessary to extend the administrators' term of office. In the context of this case, this may be done for a specified period not exceeding twelve months as follows:
- with the consent of each secured creditor of the Company; and
 - a decision of the preferential creditors in a decision procedure.
- 11.3 The appropriate body of creditors will be contacted in due course should an extension be required.

12 NEXT REPORT

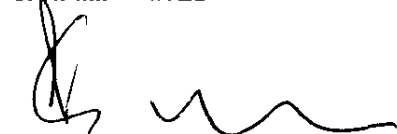
- 12.1 The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

13 DATA PROTECTION

- 13.1 Finally, when submitting details of your claim in the administration, you may disclose personal data to the Joint Administrators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Administrators act as Data Controllers in respect of personal data they obtain in relation to this administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix H, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully
for and on behalf of
C.G.P.M. LIMITED



ANDREW BECKINGHAM
JOINT ADMINISTRATOR

Andrew Beckingham and Siann Huntley are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 8683 and 19130, respectively

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators apply to Court under Para 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
3. Alternatively, if appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation. It is further proposed that Andrew Beckingham and/or Siann Huntley be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
5. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
6. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that Andrew Beckingham and/or Siann Huntley be appointed (Joint) Liquidator(s) of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
7. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM 8
JULY 2019 TO 7 JANUARY 2020**

	Statement of Affairs £	Received to date £
RECEIPTS		
Customer Lists	5,000	5,000.00
Stocks and Work in Progress	25,000	25,000.00
Furniture and Equipment	15,000	15,000.00
Unencumbered Motor Vehicles	25,000	27,920.00
Equity from Encumbered Motor Vehicles	21,000	20,164.76
Rent Deposit	-	2,000.00
Balance at Bank	-	1,430.55
Debtors not subject to Fixed Charge	4,500	439.55
Director Loan Accounts	Uncertain	1,562.50
Sundry Refunds	-	370.00
Bank Interest	-	60.04
	<u>95,500</u>	<u>98,947.40</u>
PAYMENTS		
Joint Administrators' Fees		49,979.00
Agents Fees and Expenses		9,776.48
Solicitors Fees and Expenses		7,097.90
Pre-Administration Costs		12,153.80
Insurance		296.76
Rent		1,225.00
Storage Charges		551.93
RBS Invoice Finance		2,750.59
		<u>83,831.46</u>
BALANCE IN HAND		<u><u>15,115.94</u></u>

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 8 JULY 2019 TO 7 JANUARY 2020**

	Units	Total Cost £	Average Hourly Rate £
Statutory and Review	158	4,045.50	256.04
Receipts and Payments	34	875.50	257.50
Insurance	61	1,646.00	269.84
Assets	569	18,556.50	326.12
Liabilities	603	19,395.00	321.64
Landlords	57	2,378.00	417.19
Debenture Holder	78	3,675.00	471.15
General Administration	156	4,223.00	270.71
Appointment	152	4,167.50	274.18
Post Appointment Creds Mtngs	217	5,744.00	264.70
Investigations	153	5,052.50	330.23
Total	2,238	69,758.50	
Average Hourly Rate (£)		311.70	

All Units are 6 minutes

DESCRIPTION OF TIME SPENT BY CATEGORY**Statutory and Review**

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work has not directly resulted in any monetary value for creditors, it has ensured that the case was and continues to be managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work to be carried out under this category has comprised the following:

- Case management reviews. These have been carried out periodically throughout the life of the case. In the early stages of the case this involved regular team meetings to discuss and agree case strategy and a month 3 review by the firm's Compliance team to ensure that all statutory and best practice matters had been dealt with appropriately. As the case has progressed we have carried out periodic reviews to ensure that the case is advancing as planned;
- Allocation of staff, management of staff, case resourcing and budgeting. In general efforts have and will be made to keep case costs to a minimum where possible. However, given the nature of the this case, it has and will necessitate the ongoing attendance by senior members of staff;
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice; and
- The team was required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. This resulted in the preparation and submission of statutory reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years.

Receipts and Payments

This category of work has not resulted in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Opening of case bank account;
- Management of case bank account to ensure compliance with relevant risk management procedures;
- Regular review of case bank account by senior member of staff to ensure that fixed and floating charge assets have been properly identified and prescribed part funds have been set aside where appropriate;
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports – the Joint Administrators have currently issued two full reports to creditors.
- Timely completion of all post appointment tax and VAT returns; and
- Managing and settlement of estate expenses.

Insurance, Bonding and Pensions

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

- Review of the Company's existing insurance provision and liaising with insurers brokers to ensure adequate insurance cover is maintained whilst minimising costs to the estate;
- Calculation and request of Joint Administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond was calculated by reference to the value of assets which were estimated before costs to be available to unsecured creditors;

- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond was reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice; and
- Completion and submission of statutory notifications under the Pensions Act 2004. This included liaising with the Company directors to establish the existence of Company pension schemes, making the statutory notifications under s22 and s120 of the pensions legislation; and liaising with pensions providers to understand the nature of the scheme.

Assets

- Work to achieve a sale of the Company's business and assets including:
 - Liaising with Gordon Brothers regarding the adopted realisation strategy and arranging for them to attend site in order to inspect assets and meet with interested parties;
 - Thorough consideration of the offers received to ensure the interests of creditors were being served;
 - Negotiations with potential purchasers around any specific conditions of their offers;
 - Liaising with and instruction of solicitors Clarke Willmott in respect of the preparation, review and amendment of contractual documentation in order to progress sale to completion; and
 - Facilitating handover of business operations and assets.
- Instruction of and liaising with Gordon Brothers, various finance companies and the Company's directors and former employees to locate and sell the Company's remaining encumbered and unencumbered vehicle fleet.
- Liaising with RBS Invoice Finance regarding the book debt collection and arranging for re-assignment of the ledger and transfer of surplus funds to the administration;
- Review of re-assigned debtor ledger to ascertain further recovery prospects;
- Review and reconciliation of director loan account records and liaising with directors in respect of settlement proposals;
- Instruction of and liaising with Carbon Law Partners to pursue the outstanding loan account balances;
- Work to optimise the recovery of any other amounts owing to the Company including the rent deposit, business rates and other sundry refunds;
- Liaising with Company's bankers Natwest regarding the pre-appointment bank accounts and any post-administration credits received;
- Identification and return of third party assets, and
- Identification and dealing with any assets subject to retention of title, including the inspection paperwork and facilitation of site visits with Gordon Brothers.

Liabilities / Debenture Holder

This category of time includes both statutory and non-statutory matters.

Statutory

- Review and reconciliation of Company records and correspondence to identify creditors;
- Processing of claims from the Company's creditors. The Company has approximately 67 trade and expense creditors whose claims have been initially recorded by the Joint Administrators at this stage;
- Review the Company's records to identify and correspond with an additional 220 potential creditors who may have unsecured claims for unfulfilled warranties and contractual supply agreements;
- Calculating and processing the claims from the Company's 17 employees who were made redundant. This included reviewing payroll information, preparation of RP14/a forms, liaising with the Redundancy Payments Office, and providing support in completing online forms and recording any excess preferential or unsecured claims; and
- Preparation and submission of periodic progress reports to creditors. The Joint Administrators have currently issued two full reports to creditors.

Non-statutory

- Dealing with general enquiries from the Company's creditors and former customers;
- Dealing with enquiries from the Company's employees; and
- Liaising with the Company's secured creditors RBS and Clydesdale in relation to the administration proceedings and their outstanding balances.

Landlords

- Review of current leases in respect of Company premises.; and
- Liaising with landlords in respect of premises.

General Administration

This category of work has not resulted in a direct financial benefit for creditors; however it is necessary for these tasks to be completed in order to ensure the smooth and efficient progression of the administration:

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

Appointment

- Attendance at Company's trading premises upon appointment to gather initial information;
- Statutory notifications to creditors and other stakeholders following the Administrators' appointment; and
- Preparation of case plan and initial appointment formalities.

Post Appointment Creditors' Decisions

- Preparation of Joint Administrators' Proposals for achieving a statutory purpose of the administration;
- Preparation of Fees Estimate and Statement of Expenses in accordance with Insolvency (Amendment) Rules 2015; and
- Convening a decision by correspondence to agree Fees Estimate with appropriate body of creditors;
- Reporting on outcome of voting.

Investigations

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

**SUMMARY OF JOINT ADMINISTRATORS' TOTAL TIME COSTS TO DATE
INCORPORATING A COMPARISON WITH THE JOINT ADMINISTRATORS' APPROVED FEE ESTIMATE**

	FEES ESTIMATE			INCURRED TO DATE			VARIANCE
	Units	Cost	Average	Units	Cost	Average	
	No	£	hourly rate £	No	£	hourly rate £	Cost £
Statutory and review	100	2,610	261.00	158	4,045.50	256.04	1,435.50
Receipts and payments	140	970	242.50	34	875.50	257.50	(94.50)
Insurance, bonding and pensions	55	1,415	257.27	61	1,646.00	269.84	231.00
Assets	345	11,655	337.83	569	18,556.50	326.12	6,901.50
Liabilities	271	8,459	312.14	603	19,395.00	321.64	10,936.00
Landlords	50	1,965	393.00	57	2,378.00	417.19	413.00
Debenture Holder	80	3,505	438.13	78	3,675.00	471.15	170.00
General Administration	120	3,225	268.75	156	4,223.00	270.71	998.00
Appointment	145	4,055	279.66	152	4,167.50	274.18	112.50
Post Appointment Creditors Meeting	275	8,025	291.82	217	5,744.00	264.70	(2,281.00)
Investigations	160	4,095	255.94	153	5,052.50	330.23	957.50
	1,741	49,979	287.07	2,238	69,758.50	311.70	19,779.50

APPENDIX E

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 8 JULY 2019 TO 7 JANUARY 2020
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
AML Checks	Business Tax Centre	Electronic client verification	15.00	10.00	10.00	-	10.00
Bond Fee	AUA IRS	Insurance bond	135.00	135.00	135.00	-	135.00
Document Hosting	Pelstar Computing	Hosting of documents for creditors	42.00	28.00	28.00	-	28.00
Software Licence Fee	Pelstar Computing	Case management system licence fee	87.00	87.00	87.00	-	87.00
Statutory Advertising	Courts Advertising	Advertising	171.90	85.95	85.95	-	85.95
Storage Costs	Iron Mountain	Storage of books and records	1,500.00	551.93	551.93	551.93	-
		Total standard expenses	2,122.80	897.88	897.88	551.93	345.95

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Agents' Fees	Gordon Brothers	Costs of valuing and realising assets	10,000.00	9,776.48	9,776.48	9,776.48	-
Legal Fees	Clarke Willmott LLP	Costs of appointed solicitors and assisting with drafting the sale agreement	5,000.00	7,097.90	7,097.90	7,097.90	-
Debt Recovery Agents/ Solicitors	Carbon Law Partners	Costs of debt recovery solicitors	1,000.00	TBC – subject to recoveries		-	-
Insurance	AUA IRS	Cost of insuring assets	1,000.00	296.76	296.76	296.76	-
Staff Mileage	Leonard Curtis	Category 2 disbursement requiring specific creditor / committee approval	250.00	2.60	2.60	-	2.60
		Total case specific expenses	17,250.00	17,173.74	17,173.74	17,171.14	2.60

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

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

Staff Allocation and Charge Out Rates

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

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

The following hourly charge out rates apply to all assignments undertaken by Leonard Curtis:

6 Jan 2014 onwards	Standard	Complex	1 Aug 2019 onwards	Standard	Complex
	£	£		£	£
Director	450	562	Director	525	656
Senior Manager	410	512	Senior Manager	445	556
Manager 1	365	456	Manager 1	395	494
Manager 2	320	400	Manager 2	345	431
Administrator 1	260	325	Administrator 1	280	350
Administrator 2	230	287	Administrator 2	250	313
Administrator 3	210	262	Administrator 3	230	288
Administrator 4	150	187	Administrator 4	165	206
Support	0	0	Support	0	0

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

Subcontractors

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

Professional Advisors

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

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

Expenses

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

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

Type	Description	Amount
AML checks	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search

C.G.P.M. LIMITED – IN ADMINISTRATION

Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders. Cost per upload, plus VAT.	<table> <tr> <th>Type</th><th>First 100</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td>£10 p.a. or £25 for life of case</td><td></td></tr> </table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
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BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £204.00 3-6 months £303.00 6-12 months £490.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£85.95 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

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

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

Disbursements

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

- a) Category 1 disbursements: These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements: These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£81.25 per box
Business mileage	45p per mile

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

Proof of Debt – General Form
Relevant date: 8 July 2019

Please e-mail completed form to:

recovery@leonardcurtis.co.uk quoting ref: **CL40B/AJD/PROOF**

Name of Company in Administration:

C.G.P.M. Limited

Company registered number:

03527965

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

C.G.P.M. LIMITED – IN ADMINISTRATION

7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

8. Details of any document by reference to which the debt relates

9. Signature of creditor (or person authorised to act on the creditor's behalf)

10. Date of signing:

11. Address of person signing (if different from 2 above)

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.
3. **Please e-mail completed form to:**

recovery@leonardcurtis.co.uk quoting ref: **CL40B/AJD/PROOF**

PRIVACY NOTICE

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5th Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS

AM10

Notice of administrator's progress report



Presenter information

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

Contact name **Andrew Dally**

Company name **Leonard Curtis**

Address **2nd Floor**

40 Queen Square

Bristol

Post town

County/Region

Postcode **B S 1 4 Q P**

Country

DX

Telephone **0117 929 4900**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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



Important information

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



Where to send

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

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



Further information

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

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