

The Insolvency Act 1986

Administrator's progress report

Name of Company
Credit 4 Cars Ltd

Company number
06653549

In the
The High Court of Justice
(full name of court)

Court case number
9305 of 2015

(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)

Lee De'ath
CVR Global LLP
Town Wall House
Balkerne Hill
Colchester
Essex CO3 3AD

Kevin Murphy
CVR Global LLP
New Fetter Place West
55 Fetter Lane
London
EC4A 1AA

Jason Maloney
CVR Global LLP
New Fetter Place West
55 Fetter Lane
London
EC4A 1AA

administrator(s) of the above company attach a progress report for the period

(b) Insert date

From	To
(b) 3 June 2016	

(b) 31 October 2016

Signed

Joint / Administrator(s)

Dated

4 November 2016

Contact Details.

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the public record

Jason Maloney
CVR Global LLP
New Fetter Place West
55 Fetter Lane
London
EC4A 1AA

DX Number

020 3794 8750

DX Exchange

COMPANIES HOUSE

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IN THE THE HIGH COURT OF JUSTICE

NO. 9305 OF 2015

**IN THE MATTER OF
CREDIT 4 CARS LTD
IN ADMINISTRATION
("THE COMPANY")**

**REPORT OF THE JOINT ADMINISTRATORS
PURSUANT TO
RULE 2.47 OF THE INSOLVENCY RULES 1986 (AS AMENDED)**

**CVR Global LLP
New Fetter Place West
55 Fetter Lane
London
EC4A 1AA
Telephone Number: 020 3794 8750
E Mail: cpearson@cvr.global**

CREDIT 4 CARS LTD – IN ADMINISTRATION

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CREDIT 4 CARS LTD – IN ADMINISTRATION (“THE COMPANY”)

PROGRESS REPORT OF THE JOINT ADMINISTRATORS

31 OCTOBER 2016

1. INTRODUCTION

I, Jason Maloney, of CVR Global LLP, New Fetter Place West, 55 Fetter Lane, London, EC4A 1AA, together with Kevin Murphy and Lee De’ath, was appointed Joint Administrator of the Company on 4 December 2015.

In accordance with Rule 2.47 of The Insolvency Rules 1986 (as amended) I am pleased to present my second report on the progress of the administration

Upon appointment, the decision was taken to continue to trade the business in order manage the collection process of approximately 6,000 hire purchase agreements. This action was taken with a view to assisting a migration of the hire purchase agreements to another party. I confirm that with affect from 31 March 2016, all such agreements were novated/transferred to Avelo Limited (“Avelo”). At this point the Company ceased trading and all staff were made redundant

2. RECEIPTS AND PAYMENTS ACCOUNT

An abstract of the Joint Administrators’ Receipts and Payments for the period concerned is attached at Appendix 2. Details of transactions that relate to trading the business for which payment has actually been made are included at Appendix 3

Included within the Receipts and Payments account, are funds currently held on trust for Fidor. These amounts relate to monies received since our appointment in respect of either insurance claim pay-outs or settlement of outstanding hire purchase contracts which are caught by the assignment agreements entered into by the Company in August 2015

3. PURPOSE OF THE ADMINISTRATION

I refer to my report dated 29 January 2016 in which I set out my formal proposals for achieving the purpose of the administration, namely realising property in order to make a distribution to one or more secured or preferential creditors

These proposals were deemed to have been approved in accordance with Insolvency Rule 2.33(5) on 10 February 2016

4. ASSET REALISATIONS

4.1 Bank Interest Gross

Since the date of appointment, bank interest in the sum of £60 85 has been collected, £50 89 of which was accrued during the period under review.

4.2 Sundry Refunds

The sum of £157.67 was recovered from Orange Ltd shortly after my appointment in respect of a pre-appointment phone contract. No further realisations are expected from this source.

4.3 Third Party Monies Collected

Since the date of appointment, the Joint Administrators have collected various monies on trust on behalf of the Company's secured creditor, Fidor, in respect of either insurance claim pay-outs or settlement of outstanding hire purchase contracts which were caught by the assignment agreements entered into by the Company in August 2015. To date, these funds total £174,737 38.

4.4 Furniture & Equipment

The Company's books and records indicate a value attributable to this asset class of £1,679. Following the cessation of trade, the majority of this equipment is being utilised by Avelo. Agents valued this equipment at £1,425, and a sale of this equipment to Avelo will be concluded shortly after the release of this report, with the sale price offset against the funding provided by Fidor.

4.5 Motor Vehicles

As at the date of my appointment the Company's books and records indicated that the Company owned a Porsche motor vehicle. The Company's former management team advised me that this vehicle was acquired in 2014 by an ex-director under the terms of a lease agreement which was novated following his departure from the Company. I am still in the process of investigating this transaction and will provide a further update in my next report to creditors.

4.6 Fixtures and Fittings

As noted in my previous report to creditors, the value attributed to this asset in the Company's books related to furniture and building works constructed on the former trading premises, and as such, no realisations are anticipated from this source.

4.7 Cash at Bank

As at the date of appointment, funds held in the Company's bank accounts totalled approximately £226,000. Following a review of the contractual agreements between the Company and Fidor, it has been established that these funds and any future deposits received are held on trust by the Company for the benefit of Fidor

On 30 September 2016, the balancing sum of £569 85 from the trading bank account as at 31 March 2016 was transferred to the Joint Administrators. This sum is also being held on trust for Fidor

4.8 Inter-Company Debtors

According to the Company books and records there are inter-company loan account balances due to the Company of £7,757,000. I have been advised that these sums are primarily due to the Company from One Stop Car Credit Limited ("OSCC") and Credit Car Sales Limited ("CCS").

An investigation into these balances in an attempt to reconcile the amounts received by OSCC and CCS will be made if considered appropriate. However, it is unlikely and recovery will be made from these debts due to the insolvency of OSCC and CCS

4.9 Debtors

During my investigations into the Company's trading history, I identified a number of debts potentially owed to the Company by third parties in respect of historic HP agreements. As at the date of this report, I have insufficient information to advise creditors upon the collectability of these debts or to confirm whether the beneficial ownership of sums owed remains with the Company. As such, any potential asset recovery from this source remains uncertain and is subject to further investigations

5. TRADING

Trading operations continued up until 31 March 2016 with day to day management handled by the director and his management team, overseen by the Joint Administrators and our staff

As creditors will recall, an agreement was entered into with the Company's secured creditor, Fidor, which by way of loans has facilitated the Joint Administrators trading period and ultimately enabled the successful migration of the loan book. To date, Fidor has loaned the Company a total of £368,567 29

The majority of trading costs have been settled, with the exception of one utility bill, which will be settled shortly after the release of this report

6. DIVIDEND PROSPECTS

6.1 Secured Creditors

Fidor have a number of fixed and floating charges registered against the Company, details of which can be found at Appendix A.

As at the date of my appointment Fidor were owed £594,000 under their debenture. It should be noted that there are cross guarantees for all sums owed to Fidor, provided by associated entities, OSCC and CCS.

The likelihood of Fidor receiving a distribution in the administration remains uncertain.

6.2 Preferential Creditors

Preferential creditor claims ordinarily relate to outstanding wages and holiday pay due to employees, up to the applicable statutory limits.

I confirm that all employee wages were paid as an expense of the administration, and as such, the preferential claim I have received from the Redundancy Payments Service ("RPS") is in respect of outstanding accrued holiday pay in the sum of £2,795.05.

The RPS will make certain statutory payments to employees and assume subrogated rights to claim in the administration for the value of monies they have paid to employees on behalf of the Company. Accordingly, this claim represents the total monies paid out to all employees by the RPS with an eligible preferential claim.

In the event that there are sufficient funds to allow for a distribution to preferential creditors, their claims will be settled in priority of unsecured creditors.

Based upon current information it is unlikely that there will be a distribution to preferential creditors.

6.3.1 Prescribed Part

Pursuant to Section 176A of The Insolvency Act 1986 (as amended), a prescribed part of the Company's net assets should be set aside for the benefit of unsecured creditors. This reduces the funds that would otherwise be made available to any secured creditor under floating charges created after 15 September 2003.

Based on present information I consider it unlikely that the provision of the prescribed part will apply, given the anticipated asset recoveries and costs of the administration.

6.3.2 Unsecured Creditors

The estimated sums owed to unsecured creditors at the date of my appointment were £2,120,947. To date, claims have been received totalling £70,828.49.

As noted in my previous reports to creditors, based upon the anticipated costs and minimal recoveries anticipated in the administration, it is not envisaged that there will be any funds available to distribute to unsecured creditors

7. COSTS OF REALISATION

Details of costs incurred outside of trading and settled since my appointment are as follows

Cost	£
Storage Costs	1,310 00
Statutory Advertising	72 50
Insurance of Assets	14,117 77
Bank Charges	104 20
	15,604 47

Other Costs

7.1 Legal Fees – Taylor Wessing LLP ("TW")

TW have been retained as legal advisors in view of their general experience and expertise in relation to these matters and have advised me on a number of areas including assisting in the drafting and approval of the funding agreement with Fidor and relevant indemnities. They have also provided a review of Fidor's security position and the assignment of receivables between the Company and Fidor.

Their time costs to date total circa £185,000 exclusive of VAT. To date, no funds have been paid to TW in this respect.

7.2 Legal Fees – Shoosmiths LLP ("Shoosmiths")

Shoosmiths were instructed by the Joint Administrators to assist with various regulatory matters, including drafting specific statutory notices later circulated to the Company's customers, and conducting a review of the Company's internal default process. Their fixed costs in respect of this instruction totalled £3,000 plus VAT and were paid during an earlier reporting period.

7.3 Legal Fees – Simmons & Simmons LLP ("SS")

SS were instructed to confirm the validity of the Joint Administrators' appointment and to ensure compliance, where appropriate, with employment law. Their time costs in respect of this instruction totalled £5,540 50 plus VAT and were paid during an earlier reporting period.

7.4 Legal Fees – Kingsley Napley LLP (“KN”)

KN were instructed as legal advisors in view of their general experience and expertise in employment matters and have provided me with specific advice with respect to the consultation held with employees following my appointment and any subsequent employee issues

KN’s remuneration was agreed on a time cost basis at their standard hourly charge-out rates, plus VAT and disbursements, and amounted to £2,327 plus VAT. These costs were paid during the previous reporting period.

7.5 Professional Fees – Grant Thornton UK LLP (“GT”)

GT, chartered accountants and business advisors, were instructed to assist the Joint Administrators with regard to the regulatory requirements of the Financial Conduct Authority (“FCA”), specifically in relation to policy and procedure review, interim monitoring of collections and communications with the FCA.

GT’s time costs in dealing with these matters amounted to £7,810 plus VAT and was paid in full during the previous reporting period.

7.6 Agents Fees - Ashwells Nationwide Services Limited (“Ashwells”)

Ashwells were instructed to provide a valuation of the Company’s tangible assets and were paid a fixed fee of £1,100 plus VAT during the period under review.

8. JOINT ADMINISTRATORS’ REMUNERATION AND DISBURSEMENTS

8.1 Authority for remuneration

As previously stated in our Proposals, the Joint Administrators intend to seek approval for the basis of their remuneration on a time cost basis, and propose to make the necessary preparations to do so in due course.

Further details in this regard will be circulated in future reports to creditors.

8.2 Summary of time costs and remuneration drawn

A tabulation of the total time spent analysed by grade of staff is attached with this report at Appendix 4, together with an analysis covering the period of this report.

The Joint Administrators total time costs up to 31 October 2016 are evaluated at £273,848.50 representing 892.70 hours of time and equating to an average hourly charge-out rate of £306.76.

The Joint Administrators time costs for the period from 4 June 2016 to 31 October 2016 are evaluated at £45,738 50 representing 166.90 hours, equating to an average hourly rate of £274 05

During the period under review, the majority of time costs across this assignment have been incurred in undertaking the following work

- Fielding calls from former customers with regard to the status of their agreements with the Company and providing general guidance with regard to the administration process,
- Dealing with statutory and compliance matters,
- Liaising with secured, preferential and unsecured creditors,
- Liaising with various Government bodies, including HMRC and the Financial Conduct Authority,
- Finalising the trading period and settling any outstanding costs in this regard,
- Providing assistance with the migration of the Company's hire purchase agreements to Avelo,
- Investigation into debts owed to the Company and potential claims

The following category 1 and 2 disbursements have also been incurred since the date of my appointment

Disbursement (Cat 1)	Cost (£)	Disbursement Cat. 2)	Cost (£)
Motor vehicle mileage	1,492 96	Electronic filing fee	12 00
Motor expenses	40 00	Postage	136 34
Specific Bond	30 00	Printing	332 17
Land Registry searches	18 00		480 51
Other	219 99		
Storage	327 96		
Subsistence	51 53		
Travel	84 10		
	2,264 54		

The work carried out by the Joint Administrators and our staff is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature. It has been performed by the Joint Administrators, assignment managers and administrators. Our work has also been supported by secretarial staff and cashiers. All personnel were charged directly to the assignment for all of the time relating to the case.

No fees have been drawn in respect of the Joint Administrators time costs or disbursements

In accordance with the Statement of Insolvency Practice 9, an explanation of the firm's charging and disbursement recovery policies is enclosed at Appendix 5

A Creditors' Guide to Administrators' Fees, which provides information for creditors in relation to the remuneration of an Administrator, can be accessed at the website of the Association of Business Recovery Professionals at:

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

Alternatively, I can provide you with a copy on written request.

I also draw creditors attention to Rule 2.48A and Rule 2.109 of the Insolvency Rules 1986 (as amended), the text of which is reproduced at Appendix 6. These rules set out the circumstances under which creditors may request further information in relation to the Joint Administrators' remuneration and expenses and their right to challenge the Joint Administrators' remuneration and expenses.

9. INVESTIGATIONS

I confirm that the Joint Administrators have complied with our statutory duty in relation to the directors' conduct report which was submitted to the Department for Business, Innovation and Skills, in accordance with the Company Directors Disqualification Act 1986. The report is confidential and accordingly I cannot disclose its content to the creditors.

A review of the transactions entered into by the Company in the period prior to the administration has highlighted that there are potential claims/actions that could be brought by the Joint Administrators. Further investigations in this regard are ongoing.

As previously requested, if creditors have any information they believe should be brought to the Joint Administrators' attention, please forward this information to the Joint Administrators using the email address listed on the cover page of this report.

10. EXTENSION

The appointment of an administrator shall cease to have effect at the end of a period of one year following appointment. However, pursuant to paragraph 76(2)(b) of Schedule B1 to the Insolvency Act 1986, an administrator's term of office may be extended for a specified period not exceeding twelve months by consent of certain creditors.

Pursuant to paragraph 78(2)(a) of Schedule B1 to the Insolvency Act 1986, and on the basis that it is highly unlikely that preferential or unsecured creditors will receive a dividend in the administration, I consider it unnecessary to obtain consent from these classes of creditor for an extension to the initial period of the administration, and as such, I consider that only secured creditor consent is required for an extension of time

For the avoidance of doubt, although a twelve-month extension is being sought, I envisage the administration will be concluded some time before the expiration of the twelve-month extension, if consent for the extension is granted

The following matters remain unresolved or require the assistance of the Joint Administrators and therefore give rise to a request for an extension of time.

- Provision of further assistance to Fidor regarding the assignment of agreements from the Company to Avelo,
- Continued investigation into potential debts owed to the Company and claims that could be pursued, with a view to generating a recovery, if possible,
- Establishing the quantum of HMRC's claim in the administration, if any, in respect of VAT and also establishing if there is any liability due to HMRC in respect of the post-appointment trading period. Please note, based upon information from the Company's former directors and contained within the Company's records, upon appointment it was not clear that the Company was registered for VAT. However, having liaised with HMRC, it has since been established that the Company is registered for VAT.
- Providing assistance as required in recovering monies due to Fidor but held by the Company's merchant service provider
- Reconciliation and payment of trading costs, and apportionment between the Company, CCS and OSCC, if considered necessary

11. CONCLUSION

The Joint Administrators' will seek to obtain the necessary remuneration and extension consent and continue to deal with the outstanding matters.

Should you require any further information, in addition to that already given, please contact Chris Pearson at this office, on 0203 794 8716



J MALONEY

Joint Administrator

Licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

APPENDIX 1

CREDIT 4 CARS LTD IN ADMINISTRATION

STATUTORY INFORMATION

i) Directors

<u>Name</u>	<u>Appointed</u>	<u>Number of shares held</u>
John Alfred Webster*	1 October 2012	N/a
One Stop Car Credit Ltd	5 September 2012	200
David Leonard Fryatt**	1 April 2011	N/a
Peter Ian Parsons***	30 June 2013	N/a

* Resigned 31 March 2016

** Resigned 10 April 2015

***Resigned 31 July 2015

ii) Company Secretary

Frederick Edward Worth (resigned 30 September 2009).

iii) Trading Names

N/a

iv) Company Number

The Company's registered number is 06653549

v) Date of Incorporation

The Company was incorporated on 23 July 2008

vi) Court Proceedings

The High Court of Justice No 9305 of 2015

vii) EC Regulation

The proceedings constitute Main Proceedings as defined in Article 3 of the EC Regulations

viii) Statement for the purpose of paragraph 100(2) of Schedule B1 to the Insolvency Act

All functions, powers and duties of the Administrators may be exercised by either of them acting jointly and severally

APPENDIX 1

ix) Joint Administrators

Lee De'ath
Town Wall House
Balkerne Hill
Colchester
Essex
CO3 3AD

Kevin Murphy
New Fetter Place West
55 Fetter Lane
London
EC4A 1AA

Jason Maloney
New Fetter Place West
55 Fetter Lane
London
EC4A 1AA

Date of Appointment 4 December 2015
Details of Appointer: The directors of the Company

x) Summary of Outstanding Registered Charges and Debentures

Fidor Bank AG

Number	1		
Type	Legal Charge		
Created	21 May 2015		
Registered	3 June 2015		
Detail	Contains fixed charge	Contains floating charge	Contains negative pledge

Number	2		
Type	Legal Charge		
Created	21 May 2015		
Registered	3 June 2015		
Detail.	Contains fixed charge	Contains floating charge	Contains negative pledge

Number	3		
Type	Legal Charge		
Created	21 May 2015		
Registered	3 June 2015		
Detail.	Contains fixed charge.	Contains floating charge.	Contains negative pledge.

APPENDIX 1

Number 4
Type Legal Charge
Created 21 May 2015
Registered 8 June 2015
Detail Contains fixed charge. Chargor acting as a bare trustee for the property

Number 5
Type Legal Charge
Created 21 May 2015
Registered 8 June 2015
Detail Contains fixed charge Chargor acting as a bare trustee for the property

Number 6
Type Legal Charge
Created 21 May 2015
Registered 8 June 2015
Detail. Contains fixed charge Chargor acting as a bare trustee for the property.

Number 7
Type. Legal Charge
Created 29 July 2015
Registered 31 July 2015
Detail. Contains fixed charge Contains negative pledge

Number 8
Type Legal Charge
Created 24 August 2015
Registered 26 August 2015
Detail Contains fixed charge Contains floating charge Floating charge covers all the property or undertaking of the Company Contains negative pledge

xi) Details of extensions to the initial period of appointment

In conjunction with the distribution of this report the Joint Administrators are requesting the consent from the secured creditor for an extension of twelve months to the initial period of the administration

Credit 4 Cars Ltd
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of affairs		From 04/06/2016 To 31/10/2016	From 04/12/2015 To 31/10/2016
£		£	£
SECURED CREDITORS			
(594,000 00)	Fidor Bank AG	NIL	NIL
		NIL	NIL
ASSET REALISATIONS			
Uncertain	Furniture & Equipment	NIL	NIL
Uncertain	Motor Vehicles	NIL	NIL
Uncertain	Fixtures and Fittings	NIL	NIL
NIL	Cash at Bank	569 85	569 85
NIL	Inter- Company Debtors	NIL	NIL
N/a	Third Party Funding	NIL	368,567 29
N/a	Bank Interest Gross	50 89	60 85
N/a	Sundry Refunds	NIL	157 67
N/a	Third Party Monies Collected	839 70	174,737 38
		<u>1,460 44</u>	<u>544,093 04</u>
COST OF REALISATIONS			
	Trading Deficit	(21,313 89)	(488,255 06)
	FOS Compensation	NIL	(4,099 07)
	Agents/Valuers Fees	(1,100 00)	(1,100 00)
	Legal Fees	NIL	(10,867 50)
	Irrecoverable VAT	(2,886 18)	(20,121 44)
	Storage Costs	(120 00)	(1,310 00)
	Statutory Advertising	NIL	(72 50)
	Insurance of Assets	NIL	(14,117 77)
	Bank Charges	(16 45)	(104 20)
		<u>(25,436 52)</u>	<u>(540,047 54)</u>
PREFERENTIAL CREDITORS			
(150 82)	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
UNSECURED CREDITORS			
(68,635 54)	Trade & Expense Creditors	NIL	NIL
(31,000 00)	HM Revenue & Customs - PAYE/NIC	NIL	NIL
(2,000,000 00)	Associated Creditor	NIL	NIL
		NIL	NIL
<u>(2,693,786 36)</u>		<u>(23,976 08)</u>	<u>4,045 50</u>
REPRESENTED BY			
	Bank 1 Current		4,566 50
	Student Loan Repayments		(421 00)
	Attachement of Earnings		(100 00)
			<u>4,045 50</u>


J Maloney
Joint Administrator

Credit 4 Cars Ltd
(In Administration)
Joint Administrators' Trading Account

Statement of affairs	From 04/06/2016 To 31/10/2016	From 04/12/2015 To 31/10/2016
£	£	£
ⁿ OTHER DIRECT COSTS		
Direct Labour	NIL	(211,783 00)
	<u>NIL</u>	<u>(211,783 00)</u>
 TRADING EXPENDITURE		
Rents	NIL	(38,216 09)
Rates	(8,102 97)	(8,102 97)
Heat & Light	(13,210 92)	(17,613 56)
Telephone	NIL	(8,008 49)
Insurance	NIL	(109 17)
Professional Fees	NIL	(7,870 00)
Bank Charges	NIL	(15 00)
Sundry Expenses	NIL	(2,675 51)
Stationery	NIL	(6,867 88)
Postages	NIL	(145 00)
Wages - Credit Car Sales	NIL	(17,948 05)
Wages - One Stop Car Credit	NIL	(158,321 33)
Security	NIL	(1,984 50)
Cleaning	NIL	(6,823 11)
Storage and data scanning	NIL	(1,771 40)
	<u>(21,313 89)</u>	<u>(276,472 06)</u>
 TRADING SURPLUS/(DEFICIT)	<u>(21,313.89)</u>	<u>(488,255.06)</u>


J Maloney
Joint Administrator

APPENDIX 4

**SUMMARY OF JOINT ADMINISTRATORS'
TIME COSTS AND DISBURSEMENTS**

Credit 4 Cars Ltd
(In administration)

Time and Chargeout Summary for the period 4 June 2016 to 31 October 2016							
Classification of work function	Hours				Total Hours	Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff			
Administration & Planning							
(A)Appointment Documents	0 00	0 00	0 20	0 00	0 20	55 00	275 00
(A)Case Reviews	6 10	0 50	2 70	0 10	9 40	3,254 50	346 22
(A)Cashing	0 00	1 40	3 00	10 00	14 40	2,729 00	189 51
(A)General Administration	5 30	3 00	14 40	12 60	35 30	8,492 00	240 57
(A)General advice/meetings	0 00	0 00	1 10	0 00	1 10	302 50	275 00
(A)JA Correspondence	0 00	0 00	37 10	8 90	46 00	11,650 00	253 26
(A)Money Laundering & ethics	0 00	0 20	0 70	1 30	2 20	419 00	190 45
(A)Pension Matters	0 10	0 00	0 00	0 00	0 10	39 00	390 00
(A)Statutory Filing, advertising &	0 00	0 00	1 10	0 00	1 10	266 50	242 27
Total for Administration & Planning	11 50	5 10	60 30	32 90	109 80	27,207 50	247 79
Investigations							
(I)Antecedent Transactions	0 10	0 00	0 00	0 00	0 10	39 00	390 00
(I)D Conduct reports/returns	0 00	0 30	0 40	0 00	0 70	197 00	281 43
(I)Investigations (not SIP2/CDDA)	1 10	0 00	0 70	0 30	2 10	689 00	328 10
Total for Investigations	1 20	0 30	1 10	0 30	2 90	925 00	318 97
Realisation of Assets							
(R)Book Debts	8 80	0 00	0 00	0 00	8 80	3,432 00	390 00
(R)Cash at Bank	0 10	0 00	0 00	0 00	0 10	39 00	390 00
(R)Insurance	0 30	0 00	0 00	0 00	0 30	117 00	390 00
(R)Other Assets	1 00	0 00	1 00	0 00	2 00	665 00	332 50
Total for Realisation of Assets	10 20	0 00	1 00	0 00	11 20	4,253 00	379 73
Creditors							
(C)Claims & Proofs	0 00	0 00	0 00	1 00	1 00	125 00	125 00
(C)Correspondence	2 50	0 50	0 20	0 50	3 70	1,236 50	334 19
(C)Debentures/Charges	2 00	0 00	0 00	0 00	2 00	780 00	390 00
(C)Preferential claims & proofs	0 10	0 00	0 00	0 00	0 10	39 00	390 00
(C)Reports & Circulars	1 90	3 50	7 00	0 40	12 80	3,645 00	284 77
(C)Sec Correspondence	4 30	0 50	0 00	0 00	4 80	1,822 00	379 58
(C)Sec Meetings	1 20	0 00	0 00	0 00	1 20	468 00	390 00
(C)Sec Reports & Circulars	1 00	1 50	0 00	0 00	2 50	825 00	330 00
Total for Creditors	13 00	6 00	7 20	1 90	28 10	8,940 50	318 17
Trading							
(T)Accounting & Financial	0 50	0 00	2 40	0 00	2 90	855 00	294 83
(T)Employees (Trading)	0 20	0 00	0 00	0 00	0 20	78 00	390 00
(T)Management of operations	0 30	0 00	1 10	0 00	1 40	419 50	299 64
(T)Purchases	0 00	0 00	0 10	0 00	0 10	27 50	275 00
Total for Trading	1 00	0 00	3 60	0 00	4 60	1,380 00	300 00
Case Specific Matters							
(CS)Legal Matters (non Invest)	0 00	0 00	1 10	0 00	1 10	302 50	275 00
(CS)Other Special Issues	0 60	3 10	2 10	0 00	5 80	1,714 50	295 60
(CS)Post appointment tax returns	0 70	0 00	2 40	0 00	3 10	933 00	300 97
(CS)Pre Appointment Taxation	0 00	0 00	0 30	0 00	0 30	82 50	275 00
Total for Case Specific Matters	1 30	3 10	5 90	0 00	10 30	3,032 50	294 42
Total Hours	38 20	14 50	79 10	35 10	166 90	45,738 50	274 05
Total fees Claimed	14,940 00	4,225 00	21,509 50	5,064 00	45,738 50		

Category 2 Disbursements	
Other amounts paid or payable to the office holder's firm or to any party in which the office holder or his firm or any associate has an interest	
Type and Purpose	£
Postage	50 86
	50 86

Credit 4 Cars Ltd
(In administration)

Time and Chargeout Summary for the period 1 December 2015 to 31 October 2016							
Classification of work function	Hours				Total Hours	Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff			
Administration & Planning							
(A) Appointment Documents	0 10	0 00	0 20	2 80	3 10	417.00	134.52
(A) Appointment Meetings	1 00	1 00	0 00	0 00	2 00	665.00	332.50
(A) Case Reviews	15 90	7 50	2 70	0 10	26 20	9,077.00	346.43
(A) Cashiering	0 00	3 50	7 00	58 40	68 90	12,412.50	180.15
(A) General Administration	18 30	19 10	21 40	20 80	79 60	21,352.50	268.23
(A) General advice/meetings	0 00	0 00	2 10	0 00	2 10	577.50	275.00
(A) IA Correspondence	0 00	0 00	42 70	10 50	53 20	13,356.50	251.06
(A) Money Laundering & ethics	0 50	0 20	0 90	1 40	3 00	681.00	227.00
(A) Pension Matters	0 10	0 00	0 00	0 70	0 80	121.50	151.87
(A) SQA/QOS	0 00	0 00	0 40	0 00	0 40	110.00	275.00
(A) Statutory Filing, advertising &	0 20	1 10	1 10	2 10	4 70	982.00	208.94
Total for Administration & Planning	36 10	32 60	78 50	96 80	244 00	59,752.50	244.85
Investigations							
(I) Antecedent Transactions	0 30	5 40	0 00	0 00	5 70	1,721.00	301.93
(I) D Conduct reports/returns	1 00	9 90	0 40	0 60	11 90	3,443.00	289.33
(I) Investigations (not SAP2/CDDA)	14 40	5 20	1 10	0 30	21 00	7,512.00	357.71
Total for Investigations	15 70	20 50	1 50	0 90	38 60	12,676.00	328.39
Realisation of Assets							
(R) 3rd Party Assets/ROT	0 00	0 00	0 40	0 00	0 40	62.00	155.00
(R) Agents & Valuations	0 30	0 00	0 00	0 00	0 30	117.00	390.00
(R) Book Debits	25 20	0 00	0 40	0 00	25 60	9,890.00	386.33
(R) Cash at Bank	0 40	0 00	0 00	0 00	0 40	156.00	390.00
(R) Insurance	0 80	0 30	0 00	0 00	1 10	399.00	362.73
(R) Motor Vehicles	0 20	0 00	2 30	0 00	2 50	683.50	273.40
(R) Other Assets	1 00	0 10	2 60	0 00	3 70	1,065.00	287.84
(R) Sales of Business	1 60	0 00	0 00	0 00	1 60	624.00	390.00
Total for Realisation of Assets	29 50	0 40	5 70	0 00	35 60	12,996.50	363.07
Creditors							
(C) Claims & Proofs	0 80	0 50	0 10	1 60	3 20	729.00	227.81
(C) Correspondence	4 80	3 00	2 40	1 10	11 30	3,380.50	299.16
(C) Debentures/Charges	3 00	0 00	0 00	0 00	3 00	1,170.00	390.00
(C) Employees claims & dividends	0 00	6 00	11 00	0 00	19 00	3,684.00	193.89
(C) HP/Leasing Agreements	0 00	0 00	0 10	0 00	0 10	27.50	275.00
(C) Meetings	0 00	4 00	0 00	0 00	4 00	1,115.00	278.75
(C) Preferential claims & proofs	0 10	0 00	0 00	0 00	0 10	39.00	390.00
(C) Preferential Creditors	0 00	0 00	0 30	0 00	0 30	82.50	275.00
(C) Reports & Circulars	7 70	10 50	7 00	4 50	29 70	8,506.50	286.41
(C) Sec Claims & Proofs	0 00	0 00	0 00	0 10	0 20	24.00	120.00
(C) Sec Correspondence	16 10	0 50	0 00	0 40	17 00	6,426.00	378.00
(C) Sec Dividends	0 60	0 00	0 00	0 00	0 60	230.00	383.33
(C) Sec Meetings	4 70	0 00	0 00	0 00	4 70	1,763.00	375.11
(C) Sec Reports & Circulars	6 80	2 70	0 00	1 50	11 00	3,574.50	324.95
Total for Creditors	64 60	27 20	23 10	9 30	104 20	30,751.50	295.12
Trading							
(T) Accounting & Financial	10 30	32 80	11 90	0 00	55 00	16,669.00	303.07
(T) Employees (Trading)	16 40	24 80	6 00	0 00	47 20	14,844.50	314.50
(T) Management of operations	79 00	112 60	48 10	0 00	239 70	74,052.00	308.94
(T) Purchases	2 90	0 00	0 70	0 00	3 60	1,245.50	345.97
(T) Sales	3 00	0 00	0 00	0 00	3 00	1,166.00	388.67
Total for Trading	111 60	170 20	66 70	0 00	348 50	107,977.00	309.83
Case Specific Matters							
(CS) Legal Matters (non Invest)	1 50	0 30	1 50	0 00	3 30	1,068.50	323.79
(CS) Other Special Issues	99 50	11 10	3 50	0 00	114 10	47,237.00	414.00
(CS) Post appointment tax returns	0 90	0 00	2 40	0 00	3 30	1,011.00	306.36
(CS) Pre Appointment Taxation	0 00	0 00	0 30	0 00	0 30	82.50	275.00
Total for Case Specific Matters	101 90	11 40	7 70	0 00	121 00	49,399.00	408.26
Fixed Charge Matters							
(F) Correspondence	0 70	0 00	0 00	0 00	0 70	259.00	370.00
(F) Meetings	0 10	0 00	0 00	0 00	0 10	37.00	370.00
Total for Fixed Charge Matters	0 80	0 00	0 00	0 00	0 80	296.00	370.00
Total Hours	340 20	282 90	183 20	107 00	892 70	273,848.50	306.76
Total fees claimed	136,244.00	73,405.00	46,367.50	15,832.00	273,848.50		

Category 2 Disbursements	
Other amounts paid or payable to the office holder's firm or to any party in which the office holder or his firm or any associate has an interest	
Type and Purpose	£
Electronic Filing Fee	12.00
Postage	136.34
Printing	322.17
	480.51

CVR GLOBAL LLP

CHARGEOUT RATES AND DISBURSEMENT RECOVERY POLICIES

Chargeout Rates

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the firm's chargeout rates applicable to this appointment, exclusive of VAT, are as follows

	From 6 January 2016 £ per hour	From 1 January 2015 £ per hour
Partners / Office Holders	390 - 495	370 - 475
Consultants	390 - 495	370 - 475
Directors	360 - 390	340 - 370
Senior Manager	330 - 360	315 - 340
Managers	300 - 330	295 - 315
Assistant Managers	290 - 310	275 - 295
Senior Executive / Analyst	240 - 275	230 - 265
Executive	155 - 190	150 - 190
Cashier	135 - 185	130 - 175
Secretaries / Support / Junior Analyst	90 - 125	85 - 120

Chargeout rates are normally reviewed annually when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance. It is the firm's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. All time is recorded in 6 minute units.

Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include but are not limited to such items as advertising our appointment, meetings and requesting claims from creditors, storage in relation to the books and records of the company or individuals and the assignment records, online reporting facilities in relation to the uploading of documents and reports for creditors, bonding and other insurance premiums to protect the estate and its assets, and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

Circulars to creditors	
Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

Room Hire

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT may be levied to cover the cost of booking the room.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at the HM Revenue & Customs approved rate, currently 40p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

Company Searches & Electronic Verification of Identity

Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

Work involved in the administration of the case

The main work involved relates to realisation of the assets of the company or individual, agreement of claims and payment of dividends or distributions to creditors and where possible members. As part of this work the office holder is required by statute and best practice to undertake work in providing reports, convening meetings and investigating the affairs of the company or indeed individual, prior to the commencement of the insolvency process.

In order to provide an explanation of the work involved by the office holder such work is broadly split into six categories, a narrative explanation of the work involved in each of these is provided below. The office holders' remuneration can be approved on a set fee, percentage or time cost basis, or indeed a combination of these. Where remuneration is requested on a time costs basis, creditors are provided with information regarding time intended to be spent in administering the insolvency process, and in some instances are provided with an overall estimate of the cost. Depending on the type and age of the case, creditors may be contacted to approve an increased estimated cost and will be provided with the reasons for the increase.

Administration and Planning

Work involved in this category relates mainly to routine and statutory functions. It does not necessarily provide financial benefit to creditors, but ensures that the case is managed and administered in accordance with legislation and in a professional manner. It includes but is not limited to the following areas: statutory and general notifications, advertising, filing of statutory forms, case management, cashiering requirements and management of estate funds, general tax and VAT matters, pension matters, general correspondence, case reviews, and reporting.

Investigation

The office holders are required to undertake an investigation into the affairs of the company or individual prior to the commencement of the insolvency process. In the case of Creditors Voluntary Liquidations and Administrations an office holder is required to submit a report on the conduct of the Directors who were in office in the period three years prior to the commencement of the insolvency process, to the Insolvency Service, in accordance with legislation. Occasionally such investigations identify further potential asset recoveries.

Assets

This involves work in realising assets of the company or individual, which are known and stated in the statement of affairs. It may also include work involved in asset recoveries identified post appointment, which were either unknown or identified during the office holders' investigations.

Creditors

This involves work in dealing with creditor queries and correspondence, including reports and where funds permit agreeing creditor claims and provision of dividends to creditors. This may also involve assisting employees with the calculation of their statutory entitlements and agreeing subsequent claims of employees and of the redundancy payments service and payment of any dividend, should funds allow. The category may also include work in connection with secured creditors, including correspondence and reporting.

Trading

In some instances it will be necessary to assist in the trading of a business post commencement of an insolvency process. Should this be necessary, detailed further information will be provided.

Case specific matters

This category includes areas of work of a specific nature and may include legal matters and preparation of tax returns and payment of tax liabilities.

CVR GLOBAL LLP

Updated 6 January 2016

CVR GLOBAL is a limited liability partnership registered in England and Wales (NoOC398681) whose registered office is at New Fetter Place West, 55 Fetter Lane, London, EC4A 1AA. The term "partner" denotes a member of a limited liability partnership. A list of members of CVR Global LLP is available at our registered office.

2.48A and 2.109 of The Insolvency Rules 1986

2.48A Creditors' request for further information

2.48A(1) [Duty of Administrator] If-

- (a) within 21 days of receipt of a progress report under Rule 2 47-
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
- (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor

makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)

2.48A(2) [Compliance by administrator] The administrator complies with this paragraph by either—

- (a) providing all of the information asked for, or
- (b) so far as the administrator considers that—
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information

2.48A(3) [Application to court by creditor] Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—

- (a) the giving by the administrator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

2.48A(4) [Power of court to extend period] Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

2 109 Creditors' claim that remuneration is or other expenses are excessive

2.109(1) [Which creditors may apply to court] 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 for one or more of the orders in paragraph (4)

2.109(1A) [Grounds for application] An application may be made on the grounds that—

- (a) the remuneration charged by the administrator,
- (b) the basis fixed for the administrator's remuneration under Rule 2.106,
- (c) expenses incurred by the administrator,

is or are in all the circumstances, excessive, or in the case of an application under sub-paragraph (b), inappropriate.

2.109(1B) [Time limit for application] The application must, subject to any order of the court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

2.109(2) [Power of court to dismiss etc] The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly.

2.109(3) [Notice to administrator] The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it.

2.109(4) [Court order if application well-founded] If the court considers the application to be well-founded, it must make one or more of the following orders—

- (a) an order reducing the amount of remuneration which the administrator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced rate or amount;
- (c) an order changing the basis of remuneration;
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration,
- (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just; but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report.

2.109(5) [Costs of application] 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.