

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Chambers Vehicle Conversions Limited (in Administration)	Company number 05532829
In the High Court of Justice (full name of court)	Court case number 4313 of 2012

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

I/We (a)
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S F P
9 Ensign House
Admirals Way
Marsh Wall
London
E14 9XQ

Daniel Plant
S F P
9 Ensign House
Admirals Way
Marsh Wall
London

*Delete as applicable

attach a copy of ~~my~~ our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 12 June 2012

Signed

Joint Administrator(s)

Dated

12 / 6 / 12

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 available to researchers of the public

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Number

When you have completed and signed this form, please send it to the
Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

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Chambers Vehicle Conversions Limited (In Administration)

**Report to Creditors and
Statement of Proposals
Pursuant to Paragraph 49(1) of
Schedule B1 to the Insolvency Act 1986**

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Chambers Vehicle Conversions Limited (In Administration)
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Pursuant to Paragraph 49(1) of Schedule B1 of the Insolvency Act 1986

1 Executive Summary	SECTION/APP. REFERENCE
1 1 The Company was placed into Administration on 25 May 2012. The purpose of rescuing the Company as a going concern was not achievable. The primary purpose of the Administration was therefore to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).	Section 5
1 2 The Company was incorporated on 12 August 2005 to provide a vehicle conversion service. The Company's registered office and trading address was Unit 2, Plant Lane Business Park, Plant Lane, Burntwood, Staffordshire, WS7 3GN. The Company also used a storage yard located at The Land at Plant Lane, Plant Lane Business Park, Burntwood, Staffordshire, WS7 3JQ.	Section 4 and Appendix I
1 3 The Company operated as a provider of vehicle conversion services. In order to assist with its cash-flow, the Company entered into an invoice discounting agreement with HSBC Invoice Finance (UK) Limited in 2008. By way of security, HSBC Invoice Finance (UK) Limited registered a debenture containing fixed and floating charges at Companies House on 3 March 2008. Towards the end of 2010, the Company experienced financial difficulties and despite an injection of funds from one of the directors, the Company continued to struggle. In September 2011, a new finance agreement was subsequently entered into with SME Invoice Finance Limited. By way of security, SME Invoice Finance Limited registered a debenture containing fixed and floating charges at Companies House on 28 September 2011. Despite the Company achieving an increase in turnover and having assistance from SME Invoice Finance Limited, it continued to suffer from cash-flow difficulties and became unable to pay its debts as and when they fell due. SME Invoice Finance Limited became concerned for its position and sought the appointment of Administrators.	Section 4 And Appendix II
1 4 It was envisaged that the primary purpose of the Administration would be achieved by a sale of the business and assets on a going concern basis. Given the lack of available funding, continued trading of the business was not an option. The Joint Administrators have since completed a sale of the Company's business and assets to K&G Bodyshop Limited.	Section 6
1 5 The purpose of the Administration is still in the process of being achieved and there is still a significant amount of work to be undertaken. This includes effecting realisations in respect of the remaining sale consideration, debtor recoveries and continued investigations into the Company's affairs. The Joint Administrators consider that it may be advisable for the Company to continue in Administration for the time being. However, they require the option of placing it into Creditors' Voluntary Liquidation for distribution purposes in the unlikely event that there are sufficient realisations in the Administration for a dividend to unsecured creditors. Alternatively, the Joint Administrators will file notice of dissolution of the Company at Companies House should they take the view that the Company has no property which might permit a distribution to its creditors, unless they believe that they should present a winding up petition at court, so that a liquidator can be appointed to further investigate the Company's affairs. It is not proposed to convene a meeting of creditors.	Sections 7, 11 and 12
1 6 Questionnaires have been sent to creditors. Responses may assist the Joint Administrators with their general investigation duties. Accordingly, those who have not replied are urged to do so.	Section 13

2 Introduction

- 2.1** This Report and Statement of Proposals ("the Report") is prepared pursuant to Schedule B1, Paragraph 49 of the Insolvency Act 1986, ("the Act") in relation to Chambers Vehicle Conversions Limited ("the Company"), the purpose of which is to provide creditors with a full update as to the present position and seek creditors' approval of the next stage of proceedings
- 2.2** The Report also includes information required to be provided to creditors pursuant to Rule 2.33 of the Insolvency Rules 1986 ("the Rules") All statutory information pertaining to the Company is set out in **Appendix I**

3 The Joint Administrators' Appointment

- 3.1** On 25 May 2012, a Notice of Appointment of an Administrator by Holder of a Qualifying Floating Charge ("the Notice of Appointment") was presented to High Court of Justice by solicitors PDT on behalf of SME Invoice Finance Limited ("SME")
- 3.2** The Notice of Appointment was endorsed with the No 4143 of 2012 Both Simon Franklin Plant and Daniel Plant were appointed Joint Administrators ("the Joint Administrators") Pursuant to Schedule B1, Paragraph 100(2) of the Insolvency Act 1986, the Joint Administrators act jointly and severally

4 Company History, Events Leading to the Administration Order and Pre-Planning Work

Company History and Events Leading to the Administration Order

- 4.1** Albeit that statutory information is contained in **Appendix I**, this report provides brief details in relation to the Company's history
- 4.2** The Company was incorporated on 10 August 2005, to operate as a provider of vehicle conversion services It's registered office and main trading premises were located a Unit 2, Plant Lane Business Park, Plant Lane, Burntwood, Staffordshire, WS7 3GN ("the Trading Premises") The Company also used a storage yard located at The Land at Plant Lane, Plant Lane Business Park, Burntwood, Staffordshire, WS7 3JQ ("the Storage Yard") to house vehicles and finished goods
- 4.3** As at the date of Administration, Mr Joseph Chambers ("Mr Chambers"), Mr Michael Price-Darby ("Mr Darby") and Mr Ian Robottom ("Mr Robottom") (collectively, "the Directors") were the Company's appointed directors Mrs Lyn Chambers was the appointed Company Secretary
- 4.4** The Company was incorporated in August 2005 by Mr Chambers to utilise his industry experience within his own business It started trading during early 2006, initially from a small workshop in Stafford using a small number of sub-contracted staff, with work being introduced from Mr Chambers' former trade contacts
- 4.5** As the business grew and the customer base expanded, the Company moved to new premises to accommodate growth Further, it employed a number of full time staff
- 4.6** In order to assist with its cash-flow, the Company entered into an invoice discounting agreement with HSBC Invoice Finance (UK) Limited ("HSBC") By way of security, HSBC registered a debenture containing fixed and floating charges at Companies House on 3 March 2008
- 4.7** Trading continued to increase and by 2008 it had generated turnover of £750,000 per annum The Company's customer base was expanding with a number of blue chip companies and local authorities providing new work

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- 4.8 It is understood that by 2010, the Company required larger premises. Accordingly, it relocated to the Trading Premises and the Storage Yard. Following this, the Company's turnover increased to circa £1.9m per annum.
- 4.9 The Directors explained that at the end of 2010, the Company suffered from a significant loss of revenue due to one of its major customers entering into Administration and ceasing to trade. In addition, another important customer stopped providing work which had a substantial impact upon the Company's cash-flow.
- 4.10 Despite an injection of funds by Mr Darby, the Company continued to struggle and accordingly, it approached HSBC to discuss changing its facility in August 2011. It is understood that an agreement could not be reached by the two parties.
- 4.11 Accordingly, in September 2011, the Company looked to SME to provide a more suitable facility to assist with its ongoing cash-flow requirements. An agreement was subsequently reached with SME and HSBC's liability was settled by SME from a new funding line. By way of security, SME registered a debenture containing fixed and floating charges at Companies House on 28 September 2011.
- 4.12 During the first quarter of 2012, the Company achieved its most successful trading period resulting in a projected annual turnover of £2.4m. This was largely due to the Company focussing upon smaller jobs which required a lower initial outlay and provided for a quicker turnaround and payment.
- 4.13 Despite the increased turnover and assistance from SME, the Company continued to suffer from cash-flow difficulties due to the increased costs required for the remaining long term jobs and became unable to pay its debts as and when they fell due. SME became concerned for its position and sought the appointment of Administrators.
- 4.14 At Appendix II is an Estimated Statement of Affairs as at the date that the Company was placed into Administration ("the Statement of Affairs"). The Statement of Affairs indicates that the Company was insolvent on a balance sheet basis with a deficiency to creditors of £437,520.

Pre-planning work

- 4.15 The partners of SFP, together with SFP's staff have undertaken pre-appointment work in respect of this matter. This work includes printing and reviewing company searches, discussing the position with the Directors and SME, holding internal meetings and dealing with appointment documentation.

5 The Purpose of the Administration

- 5.1 The purposes of an Administration are set out in Schedule B1, Paragraph 3(1) of the Act. In short, it provides that an Administrator of a company must perform his functions with the objective of
- 5.1.1 rescuing the company as a going concern, or
 - 5.1.2 achieving a better result for the creditors as a whole than would be likely to be achieved if the company were wound up (without first being in Administration), or
 - 5.1.3 realising property in order to make a distribution to one or more secured or preferential creditors.

- 5.2 The purposes are therefore a hierarchy of objectives. The rescue of a company is the priority. Next is to instead achieve a better return to the creditors as a whole. In the event that this cannot be achieved then the Administrator is permitted to realise assets for the benefit of the preferential or secured creditors.
- 5.3 In the light of the insolvency of the Company, the initial purpose relating to its rescue could only be achieved through a company voluntary arrangement. This was not considered to be achievable, although it appeared that the second purpose was a viable option. Full details concerning progress in respect of this purpose are set out in Section 7.

6. Events Following the Joint Administrators' Appointment Leading to Initial Strategy

- 6.1 As a rescue of the Company was not possible, the primary purpose of the Administration was to obtain a better result for the creditors as a whole than would be achieved if the Company was simply wound up (without first being in Administration). This would potentially be achieved with the assistance of a statutory moratorium, which protects a company when it is placed into Administration. The moratorium effectively prevents all creditors' actions being taken or progressed without leave of the Court or the Administrator's consent, thereby providing a company with breathing space in which a strategy can be invoked to maximise realisations.
- 6.2 Upon appointment, members of SFP's Administration department and debt recovery division, SFP Recoveries Limited ("SFP Recoveries") (collectively, "the Team") attended the Trading Premises. Further, chattel asset valuers, Winterhill Asset Limited ("Winterhill") were instructed to attend in order to compile a valuation and inventory of the Company's business and assets.
- 6.3 Upon arrival at the Trading Premises, the Team met with the Directors, who were provided with SFP's standard director packs outlining the effect of the Administration, together with formal notices to undertake statutory and non-statutory obligations.
- 6.4 The Team obtained details of the Company's history and established its current circumstances. It also gleaned the various information and documentation required to discharge statutory and non-statutory duties. Meanwhile, a representative from SFP Recoveries collated all debtor information in order to reconstruct debtor files to assist with the recovery of book debts.
- 6.5 In addition to this, the Team worked to gather the necessary financial and operational information in order to determine whether or not continued trading of the Company was an option.
- 6.6 The possibility of continued trading whilst in Administration was determined not to be a viable option, given the lack of funding. It was also clear that it would not be possible to market the business and assets to a third party given the time restraints.
- 6.7 Accordingly, Winterhill advised that an expedient sale of the Company's business and assets to existing management would generate the best recovery.
- 6.8 In light of the above, the Team enquired whether or not the Directors would be interested in purchasing the business and assets. They confirmed that they would be amenable to making an offer.

7. General Progress In Relation to the Administration

Sale of Business

- 7.1 Following receipt of Winterhill's valuation, negotiations were entered into during the afternoon of 28 May 2012, with K&G Bodyshop Limited ("K&G"), being a company with two of the same Directors.

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- 7.2 An initial offer of £40,000 was received. The offer was considered to be too low by Winterhill. Accordingly, the Team encouraged K&G to make an increased offer.
- 7.3 Following subsequent lengthy negotiations further offers were received, albeit at an unacceptable level. A final offer of £64,000 was elicited by the Team which K&G advised would need to be paid over a period of 10 months. The offer was discussed with Winterhill who advised that it represented a good realisation and should be accepted.
- 7.4 It was agreed that the Joint Administrators would grant K&G a licence to occupy the Trading Premises and the Storage Yard (collectively, "the Premises") to allow time for it to either negotiate new agreements with the respective landlords or make alternative arrangements.
- 7.5 Accordingly, solicitors assisting in this matter, PDT were instructed to draft a sale and purchase agreement ("SPA") incorporating a licence to occupy the Premises. The SPA was circulated for review on 29 May 2012.
- 7.6 The SPA was reviewed by both parties and following various amendments and discussions about the broad terms of the agreement with the Directors, final drafts were agreed upon. Completion funds of £5,000 were paid to PDT by K&G, to be held to its order pending the completion of the sale.
- 7.7 A summary of agreed terms were provided to SME, which subsequently provided a deed of release in order for the assets to be sold without encumbrance.
- 7.8 Final drafts of the SPA were circulated on 30 May 2012, for execution. Following this, PDT confirmed that sale completed at 6.05 pm and that the completion funds were accordingly released.

Information to be provided to Creditors in Accordance with SIP 13

- 7.9 SIP 13 provides that the Joint Administrators should provide details concerning the sale of a business as a going concern to connected parties. Given that K&G is a connected party, creditors are entitled to be provided with the following information:
- 7.9.1 the consideration for the purchase of the business and assets sold was £64,000 payable on a deferred basis, being £5,000 upon completion (received), £3,000 on or before 30 June 2012, 7 monthly instalments of £5,800 (between July 2012 and January 2013) payable on or before the 30th of each month and 2 monthly instalments of £7,700 on or before 30 February 2013 and 30 March 2013,
- 7.9.2 the Joint Administrators understand that K&G did not take independent legal advice in relation to the purchase, although it was afforded the opportunity to do so,
- 7.9.3 the sale had to be completed as quickly as possible given that there were no funds to continue trading, thus maximising realisations. Accordingly, the sale took place without consultation to the Company's creditors, and
- 7.9.4 security has been provided by way of personal guarantees provided by the Directors, in relation to the deferred consideration and licence payments.

The Employees

- 7.10 On 28 May 2012, a member of SFP's Employment Rights Act Team ("ERA") addressed the workforce to advise them of the Joint Administrators' appointment and the intention to assess whether or not the Company could viably continue to trade whilst being in Administration, with a view to invoking a strategy.

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- 7.11 Following a review of the viability of the Company it was concluded that the workforce would need to be reduced to ensure trading could continue and a sale of the business and assets could be achieved. Accordingly, on 29 May 2012, the Joint Administrators made 4 employees redundant for economic, technical and organisational reasons.
- 7.12 A further update was provided to the remainder of the workforce in the morning of 30 May 2012 to keep them apprised of the Company's position and the Joint Administrators' progress.
- 7.13 As a result of the sale of the Company's business and assets completing on 30 May 2012, all remaining employees transferred to K&G pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006. A letter was sent to those employees on 31 May 2012 confirming this.

Debtors

- 7.14 As at the date of the placing of the Company into Administration, it is understood that its ledger was £171,000, with SME having an outstanding commitment of £147,000. Additional unfactored invoices totalling £3,900 were identified by SFP Recoveries and details of these have been passed to SME to upload to the outstanding ledger.
- 7.15 It is understood that SME will be collecting the outstanding ledger and SFP Recoveries are on hand to assist, if necessary. In the event of SME being repaid in full, SFP Recoveries shall seek to have the sales ledger reassigned and attempt to recover any outstanding balances for the benefit of the Administration.

The Company's Trading Premises

- 7.16 It is understood that the Company occupies the Trading Premises and the Storage Yard pursuant to lease agreements. An entity associated with the Joint Administrators' firm, SFP Property Limited ("SFP Property") has been instructed to review both agreements in order to provide advice in terms of value and disposal.
- 7.17 Following completion of the sale of the Company's business and assets, K&G has been granted a licence by the Joint Administrators to occupy the Premises. SFP Property has been instructed to collect payments in respect of the licence and to deal with any assignment or surrender of the leases.

Investigation into the Company's Affairs Prior to the Administration

- 7.18 The Joint Administrators will be undertaking a review of the Company's trading activities, in order to establish whether or not there are actions that may be taken for the benefit of the Administration and furthermore, to have sufficient information to enable a conduct report to be submitted in respect of the requisite directors.
- 7.19 Another entity associated with the Joint Administrators' firm, SFP Forensic Limited ("SFP Forensic") has been instructed to undertake this work on behalf of the Joint Administrators. It has been selected due to its specialist knowledge in carrying out forensic accounting reviews and submission of conduct reports.
- 7.20 Should any creditor have information that may assist with the review, they should bring it to the attention of the Joint Administrators and / or SFP Forensic as soon as they are able to.

Additional Issues and Realisations

- 7.21 The Company's books and records have been recovered from the Trading Premises and have been passed to another entity associated with the Joint Administrators' firm, SFP Datastore Limited ("SFP Datastore"). An inventory has been prepared and the books and records will continue to be stored by them.
- 7.22 Winterhill is a firm of valuation agents who specialise in insolvency matters. They were chosen to work on the assignment due to their specialist knowledge in the industry.
- 7.23 PDT is a legal practice who specialise in insolvency appointments by Asset Based Lenders. They were chosen to work on this assignment due to this specialism.

8 The Statement of Affairs and the Outcome for Creditors / Joint Administrators' Receipts and Payments

- 8.1 Based upon current information, it is unlikely that there will be a dividend distribution to unsecured creditors. At **Appendix II** is an Estimated Statement of Affairs as at the date that the Company was placed into Administration, completed by the Joint Administrators. A Statement of Affairs has been requested from the Directors. To date, these forms have not been returned.
- 8.2 In addition to this is a list of creditors whose details have been obtained from the Company's records and whose claims have been lodged. Please note that the £0.00 balances denote claims that are yet to be lodged onto the Joint Administrators' system and does not mean that the claim has been rejected or agreed.
- 8.3 Attached at **Appendix III** is the Joint Administrators' Receipts and Payments Account for the period from 25 May 2012 to 1 June 2012.

9 Statement of Pre-Appointment Cost

- 9.1 Attached at **Appendix IV** are schedules of the Joint Administrators' time costs associated with the pre-administration period (as defined by Rule 2.33(2A)), which total £6,297.50. The Joint Administrators are proposing resolutions to authorise these costs to be paid in full, plus VAT and disbursements, in accordance with Rule 2.67A(3) and draw their costs from funds held in the insolvent estate. These costs are to be approved by the relevant creditors or by a Creditors' Committee should one be established, as detailed in **Section 10**.
- 9.2 The work undertaken prior to the Joint Administrators' appointment is outlined in paragraph 4.15.

10 The Joint Administrators' Costs

- 10.1 Given that there may not be a surplus available to the unsecured creditors, it looks to be the case that the third purpose only of the Administration (at **paragraph 5.1.3**) will be achieved. From the outset the Joint Administrators arranged for members of their team to be present at the Company's trading premises in order to react to any immediate issues.
- 10.2 To date, the Joint Administrators have undertaken, inter alia, the following actions:
- 10.2.1 an initial review of the trading position and ascertaining the feasibility of continued trading,
 - 10.2.2 liaising with employees and the Directors in order to deal with immediate issues,

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- 10.2.3 liaising with Winterhill concerning the valuation and sale of the Company's assets,
 - 10.2.4 negotiating a sale of the Company's business and assets,
 - 10.2.5 instructing solicitors to draft a sale and purchase agreement,
 - 10.2.6 reviewing and agreeing the sale and purchase agreement,
 - 10.2.7 instructing solicitors to collect sale consideration and forward to the Administration estate account,
 - 10.2.8 dealing with employees through verbal and written notification,
 - 10.2.9 reviewing the Company's books and records for creditor information and employee details,
 - 10.2.10 attending numerous discussions with the Directors to determine the Company's position as at the date of Administration,
 - 10.2.11 liaising with SFP Recoveries and SME regarding the sales ledger,
 - 10.2.12 liaising with SFP Forensics regarding investigation into the affairs of the Company,
 - 10.2.13 liaising with SFP Property concerning the Trading Premises and the Storage Yard, and
 - 10.2.14 undertaking all statutory measures including updating creditors, advertising and filing requisite documents and forms at Companies House and Court
- 10.3 The grade of staff instructed to assist in this matter range from Support Staff who deal with maintenance of the creditor contact database, assisting with creditor queries and sending reports to creditors, Administrators who deal with employee matters, liaise with creditors and debtors and manage the Treasury function of the case and Managers who prepare statutory reports to creditors, returns to Companies House, other statutory matters and oversee the tax and VAT aspects of the case
- 10.4 At **Appendix IV** is a breakdown of the time that has been incurred by SFP to date At **Appendix XI** is a Guide to Administrators' Fees, being Statement of Insolvency Practice 9
- 10.5 At **Appendix V** is a breakdown of the time that has been incurred by SFP Forensic to date
- 10.6 At **Appendix VI** is a breakdown of the time that has been incurred by SFP Property to date
- 10.7 At **Appendix VII** is a breakdown of the time that has been incurred by SFP Recoveries to date
- 10.8 At **Appendix VIII** is a breakdown of the time that has been incurred by SFP Datastore to date
- 10.9 At **Appendix IX** is a guide to SFP and its associated entities charge out rates and disbursement rates
- 10.10 **Section 13** sets out the Joint Administrators' proposals The Joint Administrators do not anticipate a distribution to unsecured creditors On this basis, Rule 2.106 (5A) provides that in a case where the Administrator has made a statement under paragraph 52(1)(b), if there is no creditors' committee, or the committee does not make the requisite determination, the Administrator's remuneration may be fixed (in accordance with paragraph (2)) by the approval of

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- 10.10.1 each secured creditor of the company, or
- 10.10.2 if the Administrator has made or intends to make a distribution to preferential creditors,
- 10.10.2.1 each secured creditor of the company, and
- 10.10.2.2 preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval
- 10.11 The Joint Administrators propose that their remuneration be on a time cost basis, being the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration under rule 2.106(2) of the Rules. Further, that pre-planning costs are to be paid in full in accordance with Rule 2.67A (3) from funds held in the insolvent estate
- 10.12 In accordance with the above, the secured creditor has been provided with a copy of these proposals. In addition and for the sake of good order, authority from the unsecured creditors is also being sought. Unless any objection to the proposed basis of remuneration is notified to the Joint Administrators within 8 business days from the date on which the proposals are sent out, the Joint Administrators will deem the basis of remuneration approved by both the secured creditors and the unsecured creditors
- 10.13 In accordance with Rule 2.109 of the Rules, any secured creditor, or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors, or with the permission of the Court, may apply to the Court on the grounds that the remuneration or other expenses are excessive. Any such application must be made no later than 8 weeks after receipt of this report
- 10.14 Disbursements and specific expenditure relating to the administration of an insolvent estate and payable to an independent third party are recoverable without creditor approval. Such expenditure is made, if funds are available from the insolvent estate. If funds are not available the payment is made from this firm's office account and this firm is reimbursed from the insolvent estate if and when funds become available
- 10.15 Payments made out of a firm's office account and re-charged to an insolvent estate are defined as 'Category 1 Disbursements'. This disbursement is explained further under the expenses and Disbursements heading in the Guide to Administrators' fees at **Appendix XI**. There have been no Category 1 disbursements incurred to date
- 10.16 Expenditure incidental to the administration of the insolvent case, which by its nature includes an element of shared or allocated costs are recoverable with creditor approval. These payments are defined as 'Category 2 Disbursements' and, once again, this disbursement is explained further in the Guide to Administrators' fees at **Appendix XI**. The following Category 2 disbursements have been incurred to date but not yet recharged to the estate
- | | |
|---------|----------|
| Postage | £ 139.96 |
|---------|----------|
- 10.17 The fees incurred by PDT, Winterhill, SFP Forensic, SFP Recoveries and SFP Property are on a time cost basis. Charge out rates are reviewed periodically
- 10.18 An Administration will continue for a period up to one year, at which point it will either be extended by creditors' consent or Court Order, be moved into Liquidation or the company will be dissolved

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- 10 19** Regulation 3A of The Insolvency Regulations 1994 states that the last Administrator of a company which has been dissolved may, at any time after the expiration of a period of one year from the date of dissolution, destroy the records of the company
- 10 20** In this case, it is not anticipated that the Administration will be concluded much earlier than the maximum one year period. Consequently, the minimum period that the Joint Administrators anticipate holding the company's books and records for will be two years
- 10.21** SFP Datastore's fees are calculated on a fixed fee basis for storage, retrieval and destruction of books and records and an hourly rate for any further work carried out, including the provision of security services (where applicable). SFP Datastore will be responsible for holding the Company's books and records for the required period, and for arranging for the destruction of these records when applicable
- 10.22** It is proposed that the charges for the minimum period of two years storage and destruction of the records / permanent box removal of £20.80 and £9 per box respectively, will be charged to the case upfront, shortly following appointment
- 10 23** In the event that the Administration is concluded early, the Company is dissolved early and the records are held for less than the anticipated two year period, any fees billed and paid in advance will be credit noted and the funds repaid to the estate as necessary
- 10 24** In the event that the Administration is extended, any additional charges incurred by SFP Datastore will be paid as they are incurred
- 10 25** SFP Forensic, SFP Recoveries, SFP Property and SFP Datastore are entities which are associated with the Joint Administrators' firm, SFP ("the Associated Entities"). Pursuant to SIP 9 payments made to outside parties in which the office holder or his firm or any associate has an interest should be treated as a Category 2 Disbursement. In accordance with SIP 9 the following information is provided concerning the Associated Entities
- 10.25 1** the Associated Entities have been established by SFP to perform functions to which either the office holder or outside agencies could undertake. It is considered that by virtue of their specialist nature and close proximity to SFP they will achieve better results than the office holder, his team or any outside agencies would be able to accomplish
- 10 25 2** the Associated Entities' remuneration is on an hourly time cost basis, divided into 6 minute units and calculated as follows

Entity	Basis of Remuneration	Staff Charge Out Rates
SFP Forensic	Time Cost	£100 - £500*
SFP Property	Time Cost	£100 - £350*
SFP Recoveries	Time Cost	£100 - £500*
SFP Datastore	Fixed Fee and Time Cost	£18.50-£75*

*The charge out rates detail the bands that will be applied dependent upon the grading of staff required to deal with any one specific assignment. Please note that these may fluctuate/alter during the course of the Administration or the placing of the Company into a subsequent insolvency regime

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- 10.25.3 the proposals to creditors seek the approval of the payment of SIP 9 Category 2 Disbursements. Approval will entitle the office holder to settle these as and when deemed necessary without the need for any further authorisation.

11 Additional Points Required to Be Made Pursuant to the Rules

- 11.1 For creditors' general information, the EC Regulations on insolvency proceedings do apply in this case, and these proceedings are the main proceedings.
- 11.2 Pursuant to Schedule B1, Paragraph 47(1) of the Act, the Joint Administrators may request one or more relevant persons to provide a Statement of Affairs of the Company. Following the Joint Administrators' appointment, all active directors of the Company have been requested to provide a statement of affairs although to date, these forms have not been submitted.
- 11.3 The Joint Administrators do not consider that the prescribed part defined under section 176A of the Act will be payable.

12. The Dispensing Of The Meeting of Creditors

- 12.1 Pursuant to Schedule B1, Paragraph 51(1) a copy of the Administrator's statement of proposals must be accompanied by an invitation to a creditors meeting. However, this requirement may be dispensed with in circumstances where there is likely to be nothing of substance that the creditors meeting could decide.
- 12.2 These circumstances are set out in Paragraph 52(1) which provides that the need to convene a meeting shall not apply where the statement of proposals states that the Administrator thinks that
- 12.2.1 the company has sufficient property to enable each creditor of the company to be paid in full,
- 12.2.2 the company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of payment through the prescribed element of floating charge realisations, or
- 12.2.3 the only objective of the Administration which the Administrator thinks is capable of achievement is realising property in order to make a distribution to one or more secured or preferential creditors.
- 12.3 In this instance the Joint Administrators are of the view that paragraph 12.2.3 will only apply in relation to the Company.
- 12.4 Notwithstanding this, the Joint Administrators shall be required to summon a meeting of creditors if it is requested by the Company's creditors whose debts amount to at least 10% of the total debts of the Company, by way of service of a Form 2.21B, within 8 business days from the date on which the proposals are sent out.
- 12.5 If such meeting is requested it must be held within 28 days of the request being received by the Joint Administrators. Security must be given for the expenses of summoning and holding the meeting. At Appendix XII is a copy of the Form 2.21B should any creditor wish to request a meeting. If no meeting is requested the proposals will be deemed to be accepted pursuant to Rule 2.33(5) of the Rules.

13 The Joint Administrators' Proposal

- 13.1 The Administration has enabled the Company to have a breathing space in which to achieve a better result for the creditors as a whole than would be likely achieved if the company were wound up (without first being in Administration)
- 13.2 The prescribed time limit for an Administration is 12 months. In the event that an Administration lasts in excess of 12 months, the Joint Administrators have to obtain creditors' approval or make an application to Court to extend its length
- 13.3 It is a requirement, notwithstanding the fact that a company is left in Administration for the Joint Administrators to investigate the company's affairs and submit the appropriate D form to the Department for Business, Innovation and Skills concerning the directors' conduct
- 13.4 In the event that there are or may be further realisations that result in a dividend to unsecured creditors the Joint Administrators shall seek to place the Company into Creditors' Voluntary Liquidation in order to effect a distribution. In such circumstances they will be looking to take the appointment as Liquidators together. In accordance with Schedule B1, Paragraph 83(7) of the Act and Rule 2.117A(3), creditors are able to nominate a different person or persons as proposed Liquidator or Liquidators, provided that the nomination is made after the receipt of the proposals and before they are approved. As an alternative, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate
- 13.5 It is proposed that the Creditors' Voluntary Liquidation would commence from the date of acknowledgement by the Registrar of Companies that the relevant notice has been filed at Companies House. This procedure, which is permitted by the Act would circumvent the need for an additional creditors' meeting and keep costs to a minimum
- 13.6 In light of the above, and in accordance with Schedule B1, Paragraph 49(1) of the Act, it is proposed by the Joint Administrators that
- 13.6.1 the Administration of the Company continue in order to collect the deferred sale consideration, effect outstanding realisations of the Company's debtors and finalise any additional matters which require the assistance of the moratorium,
 - 13.6.2 the Joint Administrators' time costs associated with the pre-appointment period of £6,297.50 be paid in full in accordance with Rule 2.67A(3), from funds held in the insolvent estate,
 - 13.6.3 the Joint Administrators' remuneration be fixed by the time properly spent by them and their staff in attending to matters arising out of the Administration in accordance with Statement of Insolvency Practice 9 and that the Joint Administrators be authorised to draw remuneration as and when funds become available,
 - 13.6.4 the Joint Administrators be authorised to recover all disbursements including category 2 disbursements as defined by the Statement of Insolvency Practice 9,
 - 13.6.5 the Joint Administrators be authorised to make a distribution to any secured or preferential creditor in accordance with Schedule B1, Paragraph 65. Further, to make a distribution to unsecured creditors following court approval, in accordance with Schedule B1 Paragraph 65 (3),

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- 13 6 6** SFP Datastore will charge upfront for the minimum period of two years storage and destruction of the records / permanent box removal of £20 80 and £9 per box respectively, shortly following appointment,
- 13 6 7** in the event that the Joint Administrators think that the Company has no property which might permit a distribution to its creditors, they shall be authorised to file a notice of dissolution of the Company pursuant to paragraph 84 of Schedule B1 to the Act,
- 13 6 8** In the event that there are or may be further realisations that result in a dividend to unsecured creditors the Joint Administrators shall seek to place the Company into Creditors' Voluntary Liquidation in order to effect a distribution. In such circumstances they will be looking to take the appointment as Liquidators. In accordance with Schedule B1, Paragraph 83(7) of the Act and Rule 2 117(3), creditors are able to nominate a different person or persons as proposed Liquidator or Liquidators, provided that the nomination is made after the receipt of the proposals and before they are approved,
- 13 6 9** as an alternative to paragraphs **13 6 7** and **13 6 8** the Joint Administrators be able to seek to place the Company into Compulsory Liquidation in order to pursue such actions and bring proceedings that only a Liquidator is permitted to bring pursuant to the Act,
- 13.6 10** upon the placing of the Company into Liquidation under paragraph **13.6.8** or **13.6.9** or the necessary form being filed for the Company to be dissolved, the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Schedule B1, paragraph 98 of the Act,
- 13.6.11** upon the placing of the Company into Liquidation, the Joint Liquidators' remuneration be fixed on the same basis as that of the Joint Administrators' remuneration, in accordance with Rule 4 127(5A) and that the Joint Liquidators be authorised to draw remuneration as and when funds become available, and
- 13 6 12** upon the placing of the Company into Liquidation, the Joint Liquidators be authorised to act in a joint and several capacity

14. Ancillary

Creditors Questionnaires

- 14.1** The response that has been forthcoming from the questionnaire provided to creditors has proved to be helpful in relation to the events that transpired up to the date that the Company was placed into Administration
- 14 2** As previously stated in the first circular to the Company's creditors, responses that are received may prove integral to assist with investigations into the Company's affairs. Accordingly, if you have not previously provided a completed questionnaire, please do so, at your earliest convenience

Directors' Conduct

- 14 3** Pursuant to the Company Directors' Disqualification Act 1986, it is the Joint Administrators' and any subsequently appointed Liquidator's duty to submit a requisite report/form to the Department for Business, Innovations and Skills (formerly the Department for Business Enterprise and Regulatory Reform) concerning the directors' conduct

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14.4 The report/form must address all persons holding the position as director during the three years up to the date of the onset of insolvency. Please note that this is a standard requirement. Responses to creditors' questionnaires may prove extremely helpful concerning this.

If any creditor has any queries in relation to the above, please do not hesitate to contact either the Joint Administrators or the Senior Administrator dealing with this matter, Catherine Harrison on 020 7538 2222.

Dated this 12th day of June 2012


Simon Plant
Joint Administrator

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX I

- **Statutory Information**

Chambers Vehicle Conversions Limited – In Administration

Statutory Information As Reflected At Companies House

Company Number 05532829

Date of Incorporation: 10 August 2005

Previous Names: None Known

Nature of Business Other business activities

Issued Share Capital	Lyn Chambers	50 ordinary A £1 shares
	Joseph Chambers	50 ordinary A £1 shares
	Ian Robottom	100 ordinary B £1 shares
	Edward Chambers	80 ordinary C £1 shares
	Susan Goodband	20 ordinary C £1 shares

	Name	Appointed	Resigned
Director(s)	Joseph Chambers	10/08/2005	-
	Ian Robottom	01/01/2009	-
	Michael Price-Darby	01/09/2011	-
	Lyn Chambers	07/09/2005	01/01/2001
Company Secretary	Lyn Chambers	10/08/2005	-

Current Registered Office 9 Ensign House
Admirals Way
Marsh Wall
Docklands
London E14 9XQ

Previous Registered Office: Unit 2
Plant Lane Business Park
Plant Lane
Burntwood
Staffordshire
WS7 3GN

Trading Address Unit 2
Plant Lane Business Park
Plant Lane
Burntwood
Staffordshire
WS7 3GN

Accountants Cheadles Chartered Accountants of Stafford
Telegraph House
59 Wolverhampton Road
Stafford
ST17 4AW

Schedule of Outstanding Mortgages or Charges:

Name	Type of Charge	Registered
Plant Lane Properties Limited	Rent Deposit Deed	16/04/2010
SME Invoice Finance Limited	Debenture	

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX II

- **Estimated Statement of Affairs as at 25 May 2012 / Creditors Details**

CHAMBERS VEHICLE CONVERSIONS LIMITED (IN ADMINISTRATION)

ESTIMATED STATEMENT OF AFFAIRS AS AT 25 MAY 2012

	Notes	Book Value £	Estimated to realise £
Assets (specifically pledged)			
Debtors	1	174,900	148,665
Less SME invoice Finance Limited	1	<u>-148,339</u>	<u>-148,339</u>
Estimated surplus c/d		26 561	326
Assets (not specifically pledged)			
Sale of Business and Assets	2	<u>64,000</u>	<u>64,000</u>
Estimated total surplus available to unsecured creditors		<u>90 561</u>	64,326
LIABILITIES			
Preferential Creditors			
Employee claims - preferential element	3		TBC
UNSECURED CREDITORS			
Employee claims - unsecured element	3	TBC	
HM Revenue & Customs - VAT / PAYE / NIC	4	-48 395	
Trade Creditors	4	<u>-453,451</u>	<u>-501,846</u>
<i>Estimated deficiency as regards to creditors</i>			<u><u>-437 520</u></u>

NB Subject to the costs and expenses of the Administration

Chambers Vehicle Conversions Limited (in Administration) ("the Company")
Notes To Estimated Statement of Affairs as at 25 May 2012

1. The Company operated a finance facility with SME Invoice Finance Limited. A general bad debt provision of 15% has been applied to the sales ledger.
2. The Joint Administrators have completed a sale of the Company's business and assets to K&G Bodyshop Limited for £64,000. In accordance with the sale and purchase agreement, the Joint Administrators have received funds of £5,000 to date.
3. It is anticipated that there will be preferential and unsecured claims from those employees whom were made redundant.
4. These figures have been taken from the Company's books and records.

Chambers Vehicle Conversions Limited (in Administration)

Key	Name	Address	
CA00	A Woodward & Sons Transport LTD	Progress Drive, Cannock, Staffordshire, WS11 0JE	930 00
CA01	Aalco Birmingham	Shelah Road, Halesowen, West Midlands, B63 3PH	1,465 71
CA02	Aire Truck Bodies LTD	Quality House, Fisher Street, Tipton, West Midlands, DY4 8XE	40,410 00
CA03	Alan Ward UK	Unit 9, Brookfield Drive, Cannock, Staffs, WS11 0JN	16,351 70
CA04	Albert Jagger Ltd	Green Lane, Walsall, West Midlands, WS2 8HG	969 34
CA05	All-fit towbars & trailers ltd	Unit 13 Europa Way, Britannia Enterprise Park, Lichfield, WS14 9TZ	1,394 70
CA06	Ambuline	TriGate Business Centre, 210 - 220 Hagley Road, West, Birmingham, B68 0NP	240 00
CA07	AMF-Bruns UK Ltd	Unit 4 Parkway Four, Longbridge Road, Trafford Park, Manchester, M17 1SN	2,305 08
CA08	Auto Electric Supplies (AES)	Granville House, 11 Cross Street, Tenbury Wells, Worcestershire, WR15 8EF	66 91
CA09	Auto Electrical Services	Harmil Industrial Estate, Grovebury Road, Leighton Buzzard, Beds, LU7 4FF	849 60
CA0A	Auto Windscreens	Britannia House, Stoforth Lane, Chesterfield, S40 2UZ	334 98
CA0B	Associate Vehicle Installations Ltd	7 Five Acres, Walton on the Naize, Essex, CO14 8RQ	10,414 60
CA0C	XYZ Automation UK	Albrighton Business Park, Newport Road, Albrighton, Wolverhampton, WV7 3ET	30 24
CA0D	AA Business Services	Swallowfield One, Wolverhampton Road, Oldbury, B69 2AG	0 00
CA0E	Agility UK Limited	Meridian House, Saxon Business Park, Hanbury Road Stoke Prior, Bromsgrove, Worcestershire, B60 4A	0 00
CA0F	Aalco	The Credit Centre, Nautica Navigation Park, Bolton, BL1 8SW	0 00
CB00	Balustrade UK	Unit 3 Washington Ind Estate, Washington Street, Netherton, Dudley, DY2 9PH	513 60
CB01	Bardlay & Mathieson	Unit 2A, Southgate, White Lund Industrial Estate, Morecambe, Lancashire, LA3 3PB	4 08
CB02	Bevan Group	Unit 22 GWS Estate, Leabrook Road, Wednesbury, WS10 7NB	1,069 15
CB03	BOC	Customer Service Centre, P O Box 12, Priestley Road, Worsley, M28 2UT	387 77
CB04	British Gas Business	P O Box 254, Camberley, Surrey, GU15 3WA	18 82
CB05	B T Compressor Services	Birmingham Calor Centre, Mornington Road, Smethwick, Birmingham, B66 2JE	2,363 53
CC00	Calor Gas LTD	4 Branden Road, Alvechurch, Worcestershire, B48 7PE	1,240 67
CC01	Central Driveline	Bilston Road, Wolverhampton, West Midlands, WV2 2QE	3,353 13
CC02	Charles Clark Toyota	4a Eastgate Street, Stafford, ST16 2NQ	12 01
CC03	Cheadles	Unit 12, Prydwen Road, Forestfach, Swansea, West Glamorgan, SA5 4HN	1,440 00
CC04	Cogent Seating	Unit 21, Tweedale Court, TF7 4JZ	4,178 40
CC05	Colourbox Signs	Budden Road, Coseley, Bilston, West Midlands, WV14 8JN	35,164 20
CC06	Commercial Body Fittings Ltd	3 High Street, Buckingham, MK18 1NT	22 54
CC07	Coughlan Insurance Brokers	Commercial Lnes, 21st Floor, Tolworth Tower, Ewell Road, Tolwoeth, Surbiton, Surrey, KT6 7EL	5,984 48
CC08	Close Premium Finance	The Old Court House, High Street, Whitchurch, Bucks, HP22 4JS	0 00
CC09	Credit Security Limited	19a Albert Street, Kirkwall, Orkney, KW15 1HP	0 00
CD00	D & D IT	Unit 2 Bilston Industrial Estate, Oxford Street, Bilston, West Midlands, WV14 7EG	31 50
CD01	Dark Sheet Metal Products Ltd	Unit 10, Tractor Spares Industrial Estate, Strawberry Lane, Willenhall, WV13 3RN	2,407 55
CD02	Dart Traction		7,166 40

CD03	DCIT Services Orkney Ltd	3a White Street, Kirkwall, Orkney, KW15 1PG	126 00
CD04	Delta Rubber Ltd	Unit 13G Queensway, Stern Lane Ind Est, New Milton, Hampshire, BH25 5NN	1,985 52
CD05	Dickies International	Port Penrhyn, Bangor, Gwynedd, LL57 4HN	412 63
CE00	Eberspacher UK Ltd	Headlands Business Park, Salisbury Road, Ringwood, Hants, BH24 3PB	4,849 78
CE01	Edward Chambers		845 00
CE02	Elite Boards	Crowcrafs Road, Newstead Industrial Estate, Trentham, Stoke-On-Trent, ST4 8JA	1,205 69
CE03	Elite Fasteners LTD	Unit 2 Fairground Way, Corporation Street West, Walsall, West Mids, WS1 4NU	3,605 11
CE04	Epx		610 50
CE05	ERF Electricals	Unit 5 Hemlock Park, Hyslop Close Hawks Green, WS11 7FB	22 03
CE06	Euler Hermes UK plc	1 Canada Square, London, E14 5DX	788 72
CE07	ERF Electrical Wholesalers Ltd	Salop Street, Daybrook, NOTTINGHAM, NG5 6HD	0 00
CE08	Equita Certified Bailiffs	42 - 44 Henry Street, Northampton, NN1 4BZ	0 00
CF00	Finney Forest Products Ltd	Stallington Road	0 00
CG00	Gentili	Via Ballitrona, 12, Cesenatico Forli-Cesena	1,289 88
CG02	Glenlake International LTD	F7 Fellows Court, Anchor Brook Industrial Park, Aldridge, West Midlands, WS9 8B	38,172 30
CG03	Golds Garages Ltd	Cannock Road, Heath Hayes, Cannock, Staffs, WS12 3HQ	1 84
CH00	HM Revenue & Customs	Insolvency & Securities, 3rd Floor, Euston Tower, 286 Euston Road, London, NW1 3UQ	135 00
CH01	HM Revenue & Customs	Durrington Bridge House, Barrington Road, Worthing, West Sussex, BN12 4RS	0 00
CH02	HM Revenue & Customs	Insolvency Operations, Queens Dock, Liverpool, L74 4AF	0 00
CH03	HM Reveue & Customs	Room BP3202, Warkworth House, Benton Park View, Longbenton, Newcastle Upon Tyne, NE98 1ZZ	0 00
CH04	Haztec Global Warning	Roomfield Road Estate, Leeds, LS19 7BN	4,649 76
CH05	HSBC Bank Plc	Regional Service Centre, Europe, 62 - 76 Park Street, Southwark, London, SE1 9DZ	0 00
CI00	Indicator	Calgarth House, 39-41 Bank St, Ashford, TN23 1BA	101 00
CI01	IPD Signs	162 Walsall Road, Cannock, Norton Canes, Cannock, Staffordshire, WS11 9RB	48 00
CJ00	John Lloyd		162 60
CJ01	Julian Domagalski	Glan Celyn, Pont Y Wern, Ruthin, Denbighshire, LL15 1SN	180 00
CJ02	J P Associates	PO Box, No 57 Market, Harborough, Leicestershire, LE16 7ZJ	0 00
CK00	K&G Bodyshop	40d Longford Road, Bridgtown, Cannock, WS11 0DF	1,686 00
CK01	Karens Glass Ltd	3, Bowness Ave	489 98
CK02	Keytracker Ltd	Keyper House, Station Road, Rowley Regis, West Midlands, B65 0JY	465 60
CL00	L A Metals Ltd	Corner of Roebuck Lane & Dartmouth Road, Smethwick, Warley, West Midlands, B66 1BY	1,072 80
CL01	Laser Form UK Limited	C/o Brope! Specialist Welders Ltd, Northgate, Aldridge, West Midlands, WS9 8XU	59,596 10
CL02	Lathams Ltd	Miner Way, Longlands, Ossett, West Yorkshire, WF5 9JE	1,879 36
CL03	Lichfield District Council	District Council House, Frog Lane, Lichfield, Staffs, WS13 6YX	29,550 00
CL04	Lichfield District Council-Unit 3	Frog Ln, Lichfield, Staffordshire, WS13 6YU	8,751 99
CL05	Linex	Unit 1 Bemrose Park, Wayzgoose Drive, Derby, DE21 6ST	2,500 00
CL06	Load-Lok UK Ltd	Unit 9, Planetery Industrial Estate, Wednesfield, West Midlands, WV13 3XB	103 32
CL07	Locks & Fittings Ltd	Unit 7 & 8 Rollingmill Ind Est, Rollingmill Street, Walsall, W mids, WS2 9EQ	32 86
CL08	Last Cawthra Feather	128 Sunbridge Road, Bradford, BD1 2AT	0 00
CM00	M & S Supplies Ltd	Unit 11 Brindleys Business Park, Chaseside Drive, Cannock, WS11 7GD	12,178 70
CM02	Manor Forklift Services Ltd	18 Harvesters Road, Willenhall, WV12 4AG	1,170 00
CM03	Martyn Industrials Ltd	5 Brunel Way, Durranhill Industrial Estate, Carlisle, CA1 3NQ	112 13
CM04	Mastermaut UK Ltd	Prory Park, Great North Road, Aberford, LEEDS, LS25 3DF	7,788 00
CM05	MDL Insulations Ltd	Villa Works, Unit 1 Plant Lane Business Park, Plant Lane, Burntwood, WS7 3JQ	604 10
CM06	Merlin Equipment Ltd	Unit 4, Cabot Business Village, Holyrood Close, Poole, Dorset, BH17 7BA	11,579 80
CM07	Motolek Limited	ISIS House, Lindon Road, Brownhills, West Midlands, WS8 7BQ	0 00

CO00	Oadby Plastics Ltd	Eliland Road, Braunstone Frith Industrial Estate, Leicester, LE3 1TU	6,431 64
CP00	Parkfield Electroplating	UNIT 56 - 58 BLUEBIRD INDUSTRIAL ESTATE, PARK LANE, WOLVERHAMPTON, WV10 9QQ	1,333 20
CP01	Permacoat Metal Finishing Services Ltd	Unit 1-3 Reaymer Close, Bloxwich, Walsall, WS2 7QZ	3,148 44
CP02	Plant Lane Management Co Ltd	Suite 3 De Walden Court, 85 New Cavendish Street, London, W1W 6XD	606 19
CP03	Plant Lane Properties Ltd	De Walden Street, Suite 3, 85 New Cavendish Street, London, W1W 6XD	33,648 70
CP04	PPL	1 Upper James Street, London, W1F 9DE	33 96
CP05	PRS for Music	29-33 Berners Street, London, W1T 3AB	128 18
CP06	P & A Receivables Services Plc	Kendal House, 41 Scotland Street, Sheffield, S3 7BS	0 00
CP07	PDT Solicitors	Premier House, 36 - 48 Queen Street, Horsham, West Sussex, RH13 5AD	0 00
CQ00	Quantum Mouldings Limited	Quantum Works, Enville Street, Stourbridge, West Midlands, DY8 3TD	0 00
CR00	R & KH Properties	7 Bridge Street, Pontefract, Yorkshire, WF8 1PG	91 61
CR01	R B S Office Supplies Ltd	Units J & K Tollgate Business Centre, Stafford, ST16 3HS	104 60
CR02	Ratcliff Palfinger	Bessemer Road, Herts, AL7 1ET	4,506 00
CR03	Red Box Digital Media Ltd	Home farm, Main road, Milford, Stafford, ST17 0UM	1,369 60
CR04	Rentokil Pest Control	P O Box 4973, Dudley, DY1 9EY	124 80
CR05	Rhenus Logistics	Unit 1, Gallan Park, Watling St, Cannock, WS11 0XG	1,950 54
CR06	Rhino Products LTD	Sixth Avenue, Zone 2, Deeside Industrial Park, Deeside, CH5 2LD	161 44
CR07	Ridgeback		42 00
CR08	Risk Assessment Solutions Ltd	Birch House, 122 Old Croft Rd, Stafford, ST17 0NL	234 00
CR09	RS Components Ltd	Unit 8, Farway Close, Hounslow, Middlesex, TW4 6BU	90 99
CR0A	RSG Engineering Ltd	19 Hollies Business Park, Cannock, Staffordshire, WS11 1DB	2,256 13
CR0B	Rugeley Skips Ltd	Unit 1, The Embankment, Power Station Road, Rugeley, WS15 2HS	1,221 60
CR0C	Roy Hopwood Fasteners	Hibbert Street, Whitehill Industrial Estate, Stockport, SK4 1NS	0 00
CS00	Safety Equipment Centre LTD	Unit 14, Belle Vue Enterprise Centre, Ivy Road, Aldershot, GU12 4QW	143 52
CS01	Select Alarm Systems Ltd	Progress House, 96 Highfields Road, Bilston, W Midlands, WV14 0LD	810 00
CS02	Sentri Box		502 80
CS03	SGI (Safety Glass Industries) Ltd	Unit 10 Guinness Road Trading Estate, Guinness Road, Trafford Park, M17 1SB	333 95
CS04	Sign Language	Unit 7 Nimrod, De Havilland Way, Range Road, Witney, OX29 0YG	252 00
CS05	Sinemaster	Unit A Sparkhill Trading Estate, Evelyn Rd, Sparkhill, Birmingham, B11 3JJ	367 31
CS06	Solar Screens	1 Albany Drive, Cannock, WS12 2GQ	690 00
CS07	Speedliner	Unit 11 Orleton Road, The Business Park, Ludlow, Shropshire, SY8 1XF	14 41
CS08	Spillards Safety Systems	Solutions House, Station Road, Wolverhampton, WV10 7DB	24,314 80
CS09	Staffordshire Signs & Graphics Ltd	Unit 4c, Zone 2, Burntwood Business Park, Burntwood, Staffordshire, WS7 3JQ	0 02
CS0A	Stanway Storage Solutions	20 De Havilland Drive, ST15 0SX	19,591 70
CS0B	Staples	Unit 3, Armstrong Way, Willenhall, West Midlands, WV13 2QU	1,025 71
CS0C	Stedall Ltd	Badminton Road Trading Estate, Yate, Bristol, BS37 5JS	55 56
CS0D	Sure Supplies	Bristol, BS15 1HF	85 44
CS0E	SME Invoice Finance Limited	Hallamshire House, 5 Hayland Street, Sheffield, South Yorkshire, S9 1BY	0 00
CT00	Taundry Doors	Building 21, Yates Industrial Estate, Lime La, Walsall, WS3 5AS	72 00
CT01	T-mobile	Market Hall Street, Town Centre, Cannock, WS11 1WS	158 89
CT02	Transcool	124 Lochend Road, Gartoosh, G69 8AY	460 98

CT03	Transvend	1 Hunters Close, Stevenage, SG2 7BL	8 56
CT04	Tudor Employment Agency Ltd	Menden House, 10 Mill Street, Cannock, Staffs, WS11 0DL	1,811 30
CT05	Top Service Limited	93a Heming Road, Washford Industrial Estate, Redditch, Worcestershire, B98 0EA	0 00
CT06	The Thomas Higgins Partnership	Capitol Buildings, 10 Seaview Road, Wallasey, CH45 4TH	0 00
CU00	Unwin Safety Systems	Unwin House, The Horseshoe, Coat Road, Martock, TA12 6EY	1,407 62
CU01	Ultimate Invoice Finance Limited	Bradley Pavilions, Pear Tree Road, Bradley Stoke, Bristol, BS32 0BQ	0 00
CV00	Van Extras	Unit 47 Imex Business Centre, Bilston Glen, Industrial Estate, Loanhead, EH20 9DD	317 25
CV01	Van Guard Accessories Ltd	Exeter Airport Business Park, Exeter, Devon, EX5 2UL	0 02
CV02	Vehicle Conversion Specialists	Unit 1, Ellis Hill, Leeds Road (opposite Merc dealer), Huddersfield, HD2 1UB	340 75
CV03	VUE	Unit 7 Ashburton Park, Wheel, FM17 1TD	383 94
CV04	VOA	Regent Court, 14 - 17 George Road, Edgbaston, Birmingham, B15 1NU	0 00
CW00	Walker Scott Ltd	Unit 3A, Parkside Industrial Estate, Ringwood, Hampshire, BH24 38G	0 00
CW01	Whisper Ltd	Unit 39, Romsey Ind Estate Greatbridge Road, Romsey, Hants, SO51 0HR	2,437 20
CW02	Woodway Engineering LTD	55 Lower Road, Barnacle, Coventry, Warwickshire, CV7 9LD	0 00
CW03	WR Davies - Citroen Parts	115 Ilichfield road, Stafford, ST17 4LF	19 08
CY00	York, Ward & Rowlatt Ltd	10-16 St John Street, Wellesborough, Northants, NN8 4LG	489 96
EB00	Mr Karl Blackmore		0 00
EB01	Mr Oliver Burke		0 00
EB02	Mr Greg Burke		0 00
EC00	Lynn Chambers		0 00
EC01	Joe Chambers		0 00
ED00	Mr Dave Danks		0 00
EF00	Mr Mark Fereday		0 00
EH00	Mr Simon Hodgkiss		0 00
EH01	Mr Jarrod Holmes		0 00
EH02	Mrs Katrina Hughes		0 00
EJ00	Mr Glenn Johnston		0 00
EK00	Mr Alan Kempson		0 00
EM00	Mr Adam Myatt		0 00
EP00	Mr Jason Pearce		0 00
EP01	Mr Mike Price-Darby		0 00
EP02	Mr Michael Parcell		0 00
ER00	Mr John Robottom		0 00
ER01	Mr Ian Robottom		0 00
ER02	Mr Lee Rimeikis		0 00
ES00	Ms Kay Salmon		0 00
ES01	Ms Beverley Stott		0 00
ES02	Mr Paul Slater-Mason		0 00
ES03	Ms Maxine Scott-Cupples		0 00
EW00	Mr Jim Wright		0 00
EW01	Ms Nikki Wright		0 00
RC00	Joseph Chambers		0 00
RP00	Michael Price-Darby		0 00
RR00	Ian Robottom		0 00

168 Entries Totalling

453,451 18

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX III

- **Joint Administrators Income and Expenditure Account to 1 June 2012**

Chambers Vehicle Conversions Limited
(In Administration)

INCOME AND EXPENDITURE ACCOUNT

	Statement of affairs £	From 25/05/2012 To 01/06/2012 £
RECEIPTS		
Sale of Business and Assets	64,000 00	5,000 00
		<hr/> 5,000 00
PAYMENTS		0 00
BALANCE - 1 June 2012		5,000 00

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX IV

- **Breakdown of the Joint Administrators Fees / Pre-Appointment Fees / Activity Codes**



CHAMBERS VEHICLE CONVERSIONS LIMITED (IN ADMINISTRATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PRE APPOINTMENT TO 25 MAY 2012

CLASSIFICATION OF WORK FUNCTION	Managing Partner	Partner	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total			
Administration and Planning	6 00	-	-	5 20	0 50	-	5 40	0 20	0 40	1 90	19 60
Investigation	-	-	-	-	-	-	-	-	-	-	-
Realisation of assets	-	-	-	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-	-	-	-
Creditors	-	-	-	-	-	0 40	-	-	-	-	0 40
Total hours	6 00	-	-	5 20	0 50	0 40	5 40	0 20	0 40	1 90	20 00
Average rate £ per hour	500 00	-	-	300 00	275 00	250 00	225 00	175 00	150 00	100 00	314 88
Total costs £	3,000 00	-	-	1,560 00	137 50	100 00	1,215 00	35 00	60 00	190 00	6,297 50

Remuneration drawn on account

See Appendix for Summary Charge Out Rates for staff

CHAMBERS VEHICLE CONVERSIONS LIMITED (IN ADMINISTRATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PERIOD 25 MAY 2012 TO 1 JUNE 2012

CLASSIFICATION OF WORK FUNCTION	Managing Partner	Partner	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Administration and Planning	7 50	-	-	29 40	-	46 00	1 20	98 80
Investigation	-	-	-	-	-	-	-	-
Realisation of assets	6 00	-	-	10 30	-	3 50	-	19 80
Trading	-	-	-	-	-	-	-	-
Creditors	-	-	-	0 50	4 30	5 00	18 20	28 10
Total hours	13 50	-	-	40 20	4 30	54 50	19 40	145 70
Average rate £ per hour	500 00	-	-	300 00	250 00	225 00	100 00	250 39
Total costs £	6,750 00	-	-	12,060 00	1,075 00	12,262 50	1,960 00	36,482 50

Remuneration drawn on account

See Appendix for Summary Charge Out Rates for staff

SIP 9 STANDARD ACTIVITY SUMMARIES

Standard Activity	Examples of Work
Administration and Planning	Case Planning Administrative set up Appointment and notification Maintenance of records Statutory reporting Estate accounting Schedule company books and records
Investigation	SIP 2 CDDA report Investigating antecedent transactions
Realisation of assets	Identifying, securing, insuring assets Retention of title Debt collection – pre and post appointment Property, business and asset sales Communication and negotiations with secured creditors
Trading	Planning Management of operation Communication/negotiation with suppliers Communication/negotiation with landlord Communication/negotiation with third parties Monitor goods outward/inwards Stock take On-going employee issues Travel
Creditors	Communication with creditors Creditor claims (including employees and other preferential creditors)

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX V

- **Breakdown of SFP Forensic Limited Fees**

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PERIOD 25 MAY 2012 TO 1 JUNE 2012

	Managing Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Male	10	16	17	18	19	20	100
Female	10	16	17	18	19	20	100
Both	20	32	34	36	38	40	200

Remuneration drawn on account

See Appendix for Summary Charge Out Rates for staff

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX VI

- **Breakdown of SFP Property Limited Fees**

SFP



PROPERTY

CHAMBERS VEHICLE CONVERSIONS LIMITED (IN ADMINISTRATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PERIOD 25 MAY 2012 TO 1 JUNE 2012

CLASSIFICATION OF WORK FUNCTION

	Managing Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Property Issues	6 60	-	-	21 40	-	4 00	36 00
Total hours	6 60	-	-	21 40	-	4 00	36 00
Average rate £ per hour	350 00	-	-	200 00	-	115 00	206 94
Total costs £	2 310 00	-	-	4 280 00	-	460 00	7 450 00

Remuneration drawn on account

See Appendix for Summary Charge Out Rates for staff

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX VII

- **Breakdown of SFP Recoveries Limited Fees**

SFP



RECOVERIES

CHAMBERS VEHICLE CONVERSIONS LIMITED (IN ADMINISTRATION)

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PERIOD 25 MAY 2012 TO 1 JUNE 2012

CLASSIFICATION OF WORK FUNCTION

	Managing Director	Senior Manager	Manager	Senior Administrator	Administrator	Assistant	Total
Debt Collection	-	-	-	-	36 60	0 40	37 00
Total hours	-	-	-	-	36 60	0 40	37 00
Average rate £ per hour	-	-	-	-	175 00	150 00	174 73
Total costs £	-	-	-	-	6 405 00	60 00	6 465 00

Remuneration drawn on account

See Appendix for Summary Charge Out Rates for staff

-

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX VIII

- **Breakdown of SFP Datastore Limited Fees**

[illegible]

SUMMARY OF TIME AND CHARGE OUT RATES FOR THE PERIOD 25 MAY 2012 TO 1 JUNE 2012

CLASSIFICATION OF WORK FUNCTION	Storage Tasks Staff Costs	Hire of Security Personnel	Inventorising Staff Costs	Total
Boxing Up / Collection / Inventorising of Records	17 00		9 10	26 10
Security Services		35 00	-	35 00
Total hours	17 00	35 00	9 10	64 10
Average rate £ per hour	25 00	18 50	75 00	28 24
Total costs £	425 00	703 00	682 50	1,810 50

Remuneration and disbursements drawn on account

Disbursements Incurred	
Mileage 325 4 miles	
② £1 10 per mile	357 94
18 boxes ② £5 per box	90 00
Storage costs	336 96
Destruction costs	162 00
	<hr/>
	946 90
	<hr/>
Disbursements Incurred	
Disbursements drawn on account	

See Appendix for Summary Charge Out Rates for staff

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX IX

- **Charge out Rates for SFP main practice and associates entities**



Charge out Rates for SFP main practice and associated entities

SFP and the Associated Entities remuneration is calculated on an hourly time cost basis, divided into 6 minute units calculated as follows.

Main Practice		SFP Forensic Limited		SFP Property Limited		SFP Recoveries Limited	
Grade	Rate p/hr	Grade	Rate p/hr	Grade	Rate p/hr	Grade	Rate p/hr
Managing Partner	500	Managing Director	500	Managing Director	350	Managing Director	500
Partner 2	450	Senior Manager 2	350	Senior Manager 2	275	Senior Manager 2	350
Partner 1	400	Senior Manager 1	325	Senior Manager 1	250	Senior Manager 1	325
Senior Manager 2	350	Manager 2	300	Manager 2	225	Manager 2	300
Senior Manager 1	325	Manager 1	275	Manager 1	200	Manager 1	275
Manager 2	300	Senior Administrator 2	250	Senior Administrator 2	175	Senior Administrator 2	250
Manager 1	275	Senior Administrator 1	225	Senior Administrator 1	155	Senior Administrator 1	225
Senior Administrator 2	250	Administrator 2	175	Administrator 2	135	Administrator 2	175
Senior Administrator 1	225	Administrator 1	150	Administrator 1	115	Administrator 1	150
Administrator 2	175	Assistant	100	Assistant	100	Assistant	100
Administrator 1	150						
Assistant	100						

SFP Datastore Limited			
Grade	Rate p/hr	Retrieval Rates Guide	Supporting Services
Storage Tasks (Retrieval and collection)		Box Storage	Hire of Security Personnel
Staff costs	25	A4	£18.50 per hour
		A3	
		Transit Cases	Mileage
		Retrieval costs from site	£1.10 per mile
		Same Day Delivery (up to 10 items / £1.50 per item thereafter)	Chauffeur Services
		Next Day Delivery (up to 10 items / £1.50 per item thereafter)	£1.35 per mile (£50 minimum)
Inventorising and Additional	75	Delivery to third party offices (up to 10 items / £1.50 per item thereafter)	
Staff Costs		Provision of archive boxes	
			£25.00
			£5 per box

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX X

- **Proof of Debt form**

**In the matter of Chambers Vehicle Conversions Limited (In Administration)
and in the matter of The Insolvency Act 1986**

Date of Administration Order 25 May 2012

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show - (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6	If total amount above includes outstanding uncapitalised interest please state amount	£
7	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX XI

- **Guide to Administrators' Fees**



A CREDITORS' GUIDE TO ADMINISTRATORS' FEES

ENGLAND AND WALES

1 Introduction

- 1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debt out of the assets, therefore have a direct interest in the level of costs and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees, explain the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.

2 The nature of administration

- 2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:

- rescuing the company as a going concern or
 - achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,
- or if the administrator thinks neither of these objectives is reasonably practicable
- realising property in order to make a distribution to secured or preferential creditors.

3 The creditors' committee

- 3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's remuneration

- 4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.105 of the Insolvency Rules 1985 which states that it shall be fixed:

- as a percentage of the value of the property which the administrator has to deal with
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount.

Any combination of these bases may be used to fix the remuneration and different bases may be used for different things done by the administrator. Where the remuneration is fixed as a percentage different percentages may be used for different things done by the administrator.

It is for the creditors' committee (if there is one) to determine on which of these bases or combination of bases the remuneration is to be fixed. Where it is fixed as a percentage it is for the committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount. Rule 2.105 says that in arriving at its decision the committee shall have regard to the following matters:



- the complexity (or otherwise) of the case
- any responsibility of an exceptional kind or degree which falls on the administrator
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the property which the administrator has to deal with.

- 4.2 If there is no creditors' committee or the committee does not make the requisite determination (and provided the circumstances described in paragraph 4.3 do not apply), the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways it will be fixed by the court on application by the administrator. But the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 16 months after his appointment.

- 4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.

In this case, if there is no creditors' committee, or the committee does not make the requisite determination the remuneration may be fixed by the approval of –

- each secured creditor of the company; or
- if the administrator has made or intends to make a distribution to preferential creditors – each secured creditor of the company and preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,

having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

- 4.4 A resolution of creditors may be obtained by correspondence.

5 Review of remuneration

- 5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6 Approval of pre-administration costs

- 6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Details of such costs must be included in the administrator's proposals.

- 6.2 Where there is a creditors' committee it is for the committee to determine whether and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in

STATEMENT OF INSOLVENCY PRACTICE 9 (E & W)



paragraph 4.3 apply the determination may be made by the same creditors as approve the administrator's remuneration.

- 6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.

7 What information should be provided by the administrator?

7.1 When seeking remuneration approval

- 7.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought; and
- the size and complexity of the case.

- 7.1.2 Where at any creditors' or committee meeting the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff including principals which are likely to be involved on the case.

- 7.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

STATEMENT OF INSOLVENCY PRACTICE 9 (E & W)



- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals including subcontractors were chosen, how they were contracted to be paid and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

- 7.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

7.2 After remuneration approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 8.1 below). Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 7.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 7.1.4 above regarding work which has been sub-contracted out.

7.3 Disbursements and other expenses

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements but there is provision for the creditors to challenge them as described below. Professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm) they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

8 Progress reports and requests for further information

- 8.1 The administrator is required to send a progress report to creditors at 6-monthly intervals. The report must include:

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it);
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report);
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report;
- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period.



- the date of approval of any pre-administration costs and the amount approved,
- a statement of the creditors' rights to request further information as explained in paragraph 8.2, and their right to challenge the administrator's remuneration and expenses

8.2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. A request must be in writing, and may be made either by a secured creditor or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors (including himself) or the permission of the court.

8.3 The administrator must provide the requested information within 14 days unless he considers that:

- the time and cost involved in preparing the information would be excessive or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information.

Any creditor may apply to the court within 21 days of the administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information.

9 Provision of information – additional requirements

The administrator must provide certain information about time spent on a case free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is –

the total number of hours spent on the case by the administrator or staff assigned to the case

- for each grade of staff the average hourly rate at which they are charged out;

- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office the date that he vacated office.

The information must be provided within 28 days of receipt of the request by the administrator and requests must be made within two years from vacation of office.

10 What if a creditor is dissatisfied?

10.1 If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate or the expenses incurred by the administrator are in all the circumstances excessive he may provided certain conditions are met, apply to the court.

10.2 Application may be made to the court by any secured creditor or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing.

10.3 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise the costs of the application must be paid by the applicant and not as an expense of the administration.



11 What if the administrator is dissatisfied?

11.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee the administrator's notice of his application must be sent to each of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

12 Other matters relating to remuneration

12.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.

12.2 If the administrator is a solicitor and employs his own firm to act on behalf of the company profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

12.3 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made.

12.4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them.

13 Effective date

This guide applies where a company enters administration on or after 6 April 2010, except where

- the application for an administration order was made before that date or
- where the administration was preceded by a liquidation which commenced before that date.

Chambers Vehicle Conversions Limited (in Administration)

Report to Creditors & Statement of Proposals

APPENDIX XII

- **Form 2 21B**

2.21B

The Insolvency Act 1986

Creditor's request for a meeting

Name of Company

Chambers Vehicle Conversions Limited (in Administration)

Company number

05532829

In the
High Court of Justice

(full name of court)

Court case number
4313 of 2012

(a) Insert full name and address of the creditor making the request

I (a)

(b) Insert full name and address of registered office of the company

request a meeting of the creditors of (b)
Chambers Vehicle Conversions Limited (in Administration)

SFP
9 Ensign House, Admiral's Way
Marsh Wall
London E14 9XQ

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and address(es) of creditors concurring with the request (if any) and their claims in the administration if the requesting creditor's claim is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of concurrence

(e) Insert details of the purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated