

In accordance with Rule 3.61(1) of the Insolvency (England & Wales) Rules 2016 & Paragraph 84(8) of Schedule B1 of the Insolvency Act 1986.

AM23

Notice of move from administration to dissolution



Companies House

TUESDAY



A13 *A7GPAARU* 16/10/2018 #122
COMPANIES HOUSE

1 Company details

Company number	0	5	7	5	5	8	5	0
Company name in full	Caparo Vehicle Technologies Limited							

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

2 Court details

Court name	High Court of Justice, Chancery Division, Birmingham District											
	Registry											
Court number	8	3	9	1		o	f		2	0	1	5

3 Administrator's name

Full forename(s)	Anthony Steven										
Surname	Barrell										

4 Administrator's address

Building name/number	Donington Court										
Street	Pegasus Business Park										
Post town	Castle Donington										
County/Region	Derbyshire										
Postcode	D	E	7	4	2	U	Z				
Country	UK										

AM23

Notice of move from administration to dissolution

5 Administrator's name ①

Full forename(s) David Matthew
Surname Hammond

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

6 Administrator's address ②

Building name/number Cornwall Court, 19
Street Cornwall Street
Post town Birmingham
County/Region
Postcode B 3 2 D T
Country UK

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

7 Final progress report

I have attached a copy of the final progress report

8 Sign and date

Administrator's signature
Signature
X *D Hammond* X
Signature date
d 1 d 2 m 1 m 0 y 2 y 0 y 1 y 8

AM23

Notice of move from administration to dissolution

Presenter information

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

Contact name **Ruth Turner**

Company name **PwC**

Address **Central Square, 29 Wellington Street**

Post town **Leeds**

County/Region

Postcode

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Country **UK**

DX

Telephone **0113 2894326**

Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

Important information

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

Where to send

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

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

Further information

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

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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
 Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶
 Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
 You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**
 Please complete in typescript or in bold black capitals.
 All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- Administrator
- Administrative receiver
- Receiver
- Manager
- Nominee
- Supervisor
- Liquidator
- Provisional liquidator

❶ You can use this continuation page with the following forms:
 - VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
 - CVA1, CVA3, CVA4
 - AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
 - REC1, REC2, REC3
 - LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
 - WU07, WU15
 - COM1, COM2, COM3, COM4
 - NDISC

2 Insolvency practitioner's name

Full forename(s) Stephen Arthur
 Surname Cave

3 Insolvency practitioner's address

Building name/number Waterfront Plaza, 8
 Street Laganbank Road
 Post town Belfast
 County/Region
 Postcode B T 1 3 L R
 Country Northern Ireland

Joint administrators' final progress
report
from 19 October 2015 to 12 October
2018

***Caparo Vehicle Technologies
Limited***
(in administration)

12 October 2018

High Court of Justice, Chancery Division, Birmingham
District Registry

Case no. 8391 of 2015

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

Abbreviation or definition	Meaning
Administrators	David Matthew Hammond, Anthony Steven Barrell and Stephen Arthur Cave
ARMS	Atlantic Risk Management Service
BEIS	Department for Business, Energy and Industrial Strategy (formerly Department for Business, Innovation and Skills)
CDDA	Company Directors' Disqualification Act 1986
Company	Caparo Vehicle Technologies Limited – in administration
CPS	Caparo Precision Strip Ltd – in administration
CVL	Creditors' voluntary liquidation
Firm	PricewaterhouseCoopers LLP
Group	Caparo Industries Plc, Caparo Engineering Ltd, BACo Realisations Ltd (formerly Bridge Aluminium Ltd), Material Measurements Ltd, GW 957 Ltd, Caparo Steel Products Ltd, Caparo Precision Strip Ltd, Caparo Precision Tubes Ltd, Caparo Vehicle Products Ltd, Caparo Vehicle Technologies Ltd, Caparo Modular Systems Ltd, Caparo Atlas Fastenings Ltd, Caparo Tube Components Ltd, Caparo Tube Components 2 Ltd, Caparo Accles & Pollock Ltd and Caparo Advanced Composites Ltd
HMRC	HM Revenue & Customs
IA86	Insolvency Act 1986
IDF	Invoice discounting facility
IR16	Insolvency (England and Wales) Rules 2016
IR86	Insolvency Rules 1986
Pension Scheme	Caparo 1988 Pension Scheme
PPF	Pension Protection Fund
Plc	Caparo Industries Plc – in administration

Preferential Creditors	Generally, creditors with claims for: 1. unpaid wages for the whole or any part of the four months before 19 October 2015, limited to £800; 2. accrued holiday pay for any period before 19 October 2015; and 3. unpaid pensions contributions in certain circumstances.
Prescribed Part	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003 The Prescribed Part is calculated as 50% of the first £10,000 of net floating charge realisations plus 20% of anything thereafter, subject to a maximum of £600,000
RoT	Retention of title over goods supplied to the Company but not paid for before the Administrators' appointment
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy & Industrial Strategy, which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Sch.B1 IA86	Schedule B1 to the Insolvency Act 1986
Secured Creditors	Creditors with security in respect of their debt, in accordance with section 248 IA86
Secured Lenders	Barclays Bank Plc and Royal Bank of Scotland Plc
SIP	Statement of Insolvency Practice (issued by regulatory authorities, setting out principles and key compliance standards with which insolvency practitioners are required to comply)
Unsecured Creditors	Creditors who are neither secured nor preferential

Key messages

Why we've sent you this report

I'm pleased to let you know that our work in the administration of Caparo Vehicle Technologies Limited is now complete and so, I set out below our final report.

You can still view our earlier reports on our website at www.pwc.co.uk/caparo-cvtl. Please get in touch with Ruth Turner on 0113 289 4326 if you need any of the passwords to access the reports.

How much creditors have received

The following table summarises the final outcome for creditors:

Class of creditor	Final outcome (p in £)	Previous estimate (p in £)
Secured Creditors	100p/£	100p/£
Preferential Creditors	100p/£	100p/£
Unsecured Creditors	0.7913p/£	Not more than 1p/£

The Secured Lenders held security across the Group's assets. Prior to the Administration, the Group entered into an IDF with the Secured Lenders. The relevant debts were collected by the Secured Lenders' agent, ARMS, and subsequently by the respective purchasers and then by the Administrators (details below). The collections received reduced the amount the Group owed to the Secured Lenders.

As previously reported, following a successful period of trading and various sales of the businesses and assets across the Group, the Secured Lenders were repaid in full.

The Pension Scheme/PPF held security in various Group companies in respect of a limited portion of its debt. This limited amount has been recovered in full from security held in other Group companies. The Pension Scheme/PPF has therefore submitted an unsecured claim against the Company effectively releasing any security held over the Company's assets.

The level of Preferential Creditors has significantly reduced as a result of the going concern sale of the business and the payment of arrears of wages and salaries as part of the trading costs. Preferential Creditor claims totalling £539 were paid in full in June 2017.

In August 2018 we paid a dividend of 0.7913p in the £ to the Company's Unsecured Creditors totalling £255,420 from the Prescribed Part. This was based on net property (floating charge realisations less costs of realisations and the Administration) of £1,347,780. This produced a Prescribed Part fund of £272,556, of which £17,136 was expensed for the Administrators' costs of agreeing claims and making the distribution.

No further dividends are to be paid.

What you need to do

This report is for your information and you don't need to do anything.

What happens next

The Administration is due to end on 18 October 2018. In line with our proposals approved by creditors we filed notice of move from Administration to dissolution on 12 October 2018. The Company will be dissolved three months after the notice has been registered by the Registrar of Companies.

This exit route was considered to be the most appropriate in the circumstances of the Company, since we have completed our work in realising the Company's assets, and there were no surplus funds to facilitate a further distribution to Unsecured Creditors outside of the Prescribed Part. There was therefore no benefit to creditors in placing the Company into liquidation, or seeking a further extension to the period of the Administration.

As resolved by the Secured and Preferential Creditors, we will be discharged from liability in respect of any of our actions as Administrators 14 days after we have ceased to be Administrators of the Company.

Overview of our work

Why we were appointed

The Group, consisting of Plc and 15 of its subsidiaries (including the Company), was a diversified industrial group with headquarters in the Midlands and London. The Group employed approximately 1,700 employees (of which 94 related to the Company) and comprised 24 individual business units, located primarily within the Midlands, with some business units located elsewhere across the country. The Secured Lenders and the Pension Scheme had security across all Group companies. Prior to the Administration, the Group had entered into an IDF with Barclays Bank plc.

The Group was mainly active within the steel and associated engineering businesses; specific activities included the forging and pressing of metal products for the aerospace and automotive industries and production of fastenings, wire, tubes and other accessories. The Group was part of a global network of businesses under the Caparo name, the rest of which were outside the Administration process.

The adverse effects of low commodity prices, exchange rates and business confidence within the UK Steel industry extended to the Group, impacting results and the funding requirements. This was exacerbated by the fact that the Group utilised an asset based lending facility, with lower sales reducing the available funding from debtors under the facility to meet creditor payments.

In September 2015 the Group entered into discussions with its key stakeholders in an attempt to implement a turnaround divestment plan, which would have required further significant funding. The Group and key stakeholders were not able to reach an agreement. The directors concluded (having sought relevant advice), that the Group could no longer avoid an insolvency process and they resolved to appoint Administrators to 16 companies in the Group including the Company. These companies entered Administration on 19 October 2015.

The Administrations of 10 of the 16 companies in the Group have since ended. As previously reported, four of those companies went into CVL (Caparo Steel Products on 25 April 2017; Caparo Atlas Fastenings Limited and Material Measurements Limited on 26 April 2017; and Caparo Precision Tubes Limited on 28 April 2017). Four of the other companies dissolved in July 2017 (Caparo Advanced Composites Limited, Caparo Tube Components 2 Limited, Caparo Vehicle Products Limited and GW 957 Limited); and one company dissolved in January 2018 (BACo Realisations Limited). The final closed Administration (Caparo Modular Systems Limited) is yet to be dissolved.

Asset realisation

In order to protect and control the business, immediately following their appointment, the Administrators deployed specialist staff to the principal local offices and secured funding to continue to trade the business units in the hope of completing a sale of the business and assets for the benefit of the creditors as a whole.

Sale of the business

The Company traded from leasehold premises in Leamington and undertook the design and manufacture of foundation brakes and clutch actuation components. In addition it also designed a range of high performance components for sports cars and race applications and upgrade kits for the aftermarket sector. The products being used across motorsport, niche, luxury, classic, performance road cars, off road vehicles and for component and electric vehicle applications. Prior to the appointment of Administrators annual sales for the year were estimated at c£11m.

The key assets of the business were plant and machinery at the leasehold premises, book debts and stock (including raw materials, work in progress and finished goods).

The Company employed 94 people at the time of the Administrators' appointment.

The Administrators continued to trade the Company whilst pursuing a sale of the business. Following a period of negotiation with a number of parties, certain of the business and assets of the Company were sold on 10 December 2015. The sale resulted in 89 employees transferring to the purchaser.

Book debts

The Group's pre-Administration book debts were charged to the Secured Lenders under the IDF, which has been repaid in full. Further reconciliations of the Group's numerous bank accounts and ledgers have been completed to correctly allocate book debt recoveries between: pre appointment sales, post appointment sales and those relating to sales made by the purchasers of Group businesses. This reconciliation is complete.

The Administrators have also completed an exercise to calculate, agree and pay commissions on book debts which were agreed as part of the sale of business process.

Trading

The final Administration trading outcome is set out in the final receipts and payments account at Appendix B. This shows net trading receipts of £473,639.

In order to facilitate trading in the Administration, key head office functions were retained to service the different Group companies. The key trading activities were managed on a Group wide basis, so finalisation of the trading position involved liaison with multiple suppliers. Costs incurred on a Group level have been allocated on appropriate bases and all necessary recharges completed.

Trading enabled achievement of a going concern sale, which allowed us to achieve objective (b) of the statutory purpose of Administration, namely a better outcome for the creditors than had the Company gone into liquidation. In particular, it:

- significantly enhanced book debt realisations, by providing continuity of trade and mitigating the risk of non-payment from customers;
- secured going concern premia for other asset classes, particularly plant and machinery and property; and
- through the payment of arrears of wages as part of our trading costs, we have significantly mitigated employee related creditor claims arising against the Company.

We have finished realising all of the Company's realisable assets.

Progress since our last report

During the period since we last reported, we've submitted to HMRC the final VAT return on behalf of the Company, and have requested that the Company be removed from the wider Group registration. We have completed a reconciliation of the VAT position across the Group to ensure that each company has accounted to HMRC, and been reimbursed for, the correct amount of VAT. This concludes our VAT related work in relation to the Company.

We have finalised the recharging of trading costs between the Group companies, which has allowed us to calculate the final amount of funds available to be paid to the Company's Unsecured Creditors.

On 14 August 2018, we declared a first and final dividend to Unsecured Creditors by virtue of the Prescribed Part. Payment was issued shortly after this. We have since paid over all unclaimed dividends to the Insolvency Service, and agreed and paid the final costs of the Administration, which has allowed us to close our bank accounts.

Approval of our proposals

We issued to creditors our proposals dated 11 December 2015 for achieving the purpose of Administration.

We said in our proposals that we thought the Company does not have enough assets to pay a dividend to Unsecured Creditors other than from the Prescribed Part.

This meant that we did not have to hold a creditors' meeting to approve our proposals and our proposals would be treated as approved if creditors did not request a meeting in the required manner. As creditors did not request a meeting, our proposals were treated as approved on 23 December 2015.

We attach a summary of our proposals at Appendix A.

Statutory

We have circulated periodic progress reports (for the six months to 18 April 2016, 18 October 2016, 18 April 2017 and the year to 18 April 2018). In October 2016, the Administration was extended by a year with the consent of the creditors. In October 2017, we also sought consent from the court to a further 12 month extension to the period of the Administration to 18 October 2018, which was duly approved. At that time, the court also ordered that progress reports to creditors could now be drafted on an annual basis.

In line with our statutory duties, we have undertaken investigations on activities of the Group prior to our appointment. Due to the confidential nature of this work, further detail has not been disclosed in this report.

In relation to the Company, nothing came to our attention during the Administration to suggest that we needed to do any more work in line with our duties under the CDDA and SIP No.2.

Tax clearance

We fulfilled our duties as proper officers for tax during the Administration and filed VAT and corporation tax returns for all relevant accounting periods and accounted for PAYE / NI. HMRC didn't raise any queries in relation to our returns and has confirmed that they have no objections to the Administration ending.

Our final receipts and payments account

We set out in Appendix B an account of our final receipts and payments in the Administration from 19 October 2015 to 12 October 2018.

Receipts in the period since the last report included:

- Books debts of £11,664 relating to a final reallocation between the fixed and floating accounts following completion of the Group wide recharging exercise;
- Pre appointment bad debt relief settlement of £6,602 relating to amounts owed to the Company from the head of the VAT group, Plc;
- Other asset realisations of £326,925 made up of miscellaneous receipts of £5,128, £1,902 which relates to a refund from Barclays Bank Plc for over payment of international bank charges and £319,895 relating to a rent refund reallocated from other receipts in the trading account; and
- Supplier funding of £308,000 reallocated in the period from other receipts in the trading account.

Payments in the period since the last report included:

- Office holders' fees of £275,931 including Prescribed Part fees of £17,136; together with a reallocation of previously billed fees in the amount £540,032 from the floating account to the fixed account;
- Office holders' expenses of £1,776;
- Commissions of £45,250 relating to the collection of book debts correctly allocated to the fixed account from trading;
- Legal fees of £4,461;
- Final Secured Creditor distributions of £566,449 from the floating account (together with a reallocation of £497,444 from the fixed to the floating account) representing funds owed to Plc. Plc had previously paid the Secured Creditor on the Company's behalf;
- Statutory advertising of £75;
- Bank charges of £288 relating to the Insolvency Service Account fees for accepting the uncashed dividend cheques;
- A first and final dividend of 0.7913p in the pound to Unsecured Creditors by virtue of the Prescribed Part totalling £255,420; and

- Net trading payments of £525,270 consisting of interest of £722, the finalised VAT refund of £68,329 less final storage payment of £11 and reallocations of commissions and book debts; together with the reallocation of other receipts in the amount £627,895 (reallocated between other assets realisations and supplier funding).

Our expenses

We set out in Appendix C a statement of the final expenses that we incurred to the date covered by this report.

Our fees

We set out in Appendix D an update on our remuneration which covers our fees, disbursements and other related matters.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-administrators-fees-final.pdf>

If you would like to obtain a copy of the above information free of charge, or if you have any other questions regarding the contents of this report, please get in touch with Ruth Turner on 0113 289 4326.

Yours faithfully



AS Barrell
Joint Administrator
Caparo Vehicle Technologies Limited

Anthony Steven Barrell, David Matthew Hammond and Stephen Arthur Cave have been appointed as Joint Administrators of the Company to manage its affairs, business and property as its agents without personal liability. Anthony Steven Barrell is licensed in the United Kingdom to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales. David Matthew Hammond is licensed in the United Kingdom to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales. Stephen Arthur Cave is licenced to act as an Insolvency Practitioner in the United Kingdom. This licence is granted in Ireland by Chartered Accountants Ireland.

*The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at:
<https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>*

The Joint Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Administrators.

Appendix A: Summary of our proposals

The Administrators made the following proposals for achieving the purpose of Administration.

- i) The Administrators will continue to manage and finance the Company's business, affairs and property in such manner as they consider expedient with a view to achieving 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).

- ii) The Administrators may investigate and, if appropriate, pursue any claims that the Company may have under the Companies Act 1985 or IA86 or otherwise. In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals.

- iii) If appropriate, the Administrators will adjudicate the claims of Unsecured Creditors with a view to distributing a dividend from the Prescribed Part, with the costs of so doing being met as a cost of the Administration as part of the Administrators' remuneration from the Prescribed Part.

- iv) In the event that there are sufficient funds to enable a distribution to Unsecured Creditors other than by virtue of the Prescribed Part, the Administrators may at their discretion establish in principle the claims of Unsecured Creditors for adjudication by a subsequent liquidator, with the costs of so doing being met as a cost of the Administration as part of the Administrators' remuneration.

- v) The Administrators may use any or a combination of "exit route" strategies in order to bring the Administration to an end, but in this particular instance the Administrators are likely to wish to pursue the following options as being the most cost effective and practical in the present circumstances: -
If there are insufficient funds to allow a distribution to be made to non-preferential Unsecured Creditors:
 - (a) Once the Administrators have sufficiently concluded all work within the Administration, they will file a notice under Paragraph 84(1) Sch.B1 IA86 with the Registrar of Companies, following registration of which the Company will be dissolved approximately three months later.

If there are sufficient funds to allow a distribution to non-preferential Unsecured Creditors other than by virtue of the Prescribed Part then either:

- (b) At an appropriate time, the Administrators will place the Company into creditors' voluntary liquidation. In these circumstances, it is proposed that Anthony Steven Barrell and David Matthew Hammond be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by either or both of them. In accordance with Paragraph 83(7) Sch.B1 IA86 and Rule 2.117A(2)(b) IR86, creditors may nominate alternative liquidators, provided that the nomination is made before the proposals are approved, or

- (c) At an appropriate time, the Administrators will apply to the Court to allow the Administrators to distribute surplus funds, if any, to unsecured non-preferential creditors. If such permission is given, the Administration will be brought to an end by notice to the Registrar of Companies under Paragraph 84 Sch.B1 IA86, following registration of which the Company will be dissolved three months later. If permission is not granted the Administrators will place the Company into creditors' voluntary liquidation or otherwise act in accordance with any order of the court.

- vi) The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch.B1 IA86 in respect of any action of theirs as Administrators at a time resolved by the Secured Creditors, or if a distribution has been or may be made to any Preferential Creditors, at a time resolved by the Secured and Preferential Creditors, or in any case at a time determined by the court.
- vii) It is proposed that a proportion of the unpaid pre-Administration costs detailed be approved for payment as expenses of the Administration. In the circumstances of this case it will be for the Secured Creditors, or if a distribution has been or may be made to any Preferential Creditors, for the Secured and Preferential Creditors to approve the payment of the unpaid pre-Administration costs as expenses of the Administration.
- viii) It is proposed that the Administrators' fees be fixed under Rule 2.106 of the Insolvency Rules 1986 by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that disbursements for services provided by the Administrators' own firm (defined as Category 2 disbursements in Statement of Insolvency Practice No.9) be charged in accordance with the Administrators' firm's policy. As the Administrators have stated that they think that the Company has insufficient property to enable a distribution to be made to non-Preferential Unsecured Creditors other than possibly by virtue of the Prescribed Part, it will be for the Secured Creditors, or if a distribution has been or may be made to any Preferential Creditors, for the Secured and Preferential Creditors, to determine the basis of the Administrators' remuneration. In any event, the basis of the Administrators' remuneration and Category 2 disbursements are to be fixed no later than 18 months after the date of the Administrators' appointment.

Appendix B: Receipts and payments

Final receipts and payments account as at 12 October 2018

As per Directors' Statement of Affairs		Notes	19/10/15 to 18/04/18	19/04/18 to 12/10/18	Total to 12/10/18
£	Assets subject to a fixed charge		£	£	£
257,000	Receipts				
	Plant & machinery		55,008	-	55,008
	Goodwill		1	-	1
	Book debts	1	803,780	11,664	815,444
	Total receipts		858,789	11,664	870,453
	Payments				
	Agent fees & expenses		19,365	-	19,365
	Professional and legal fees		10,658	-	10,658
	Office holders' fees	2	-	540,032	540,032
	Commissions relating to book debts	3	-	45,250	45,250
	Secured Creditor distributions	4	752,590	(497,444)	255,147
	Total payments*		782,614	87,838	870,453
	Cash in hand		76,175	(76,175)	-
	Assets subject to a floating charge				
£	Receipts				
	Plant & machinery		511,376	-	511,376
	Motor vehicles		40,001	-	40,001
584,000	Stock		178,234	-	178,234
	Other asset realisations		-	326,925	326,925
	Supplier funding of office holders' trading supervision fees		-	308,000	308,000
	Pre appointment bad debt relief		-	6,602	6,602
	Third party funds		609	(609)	-
	Net trading position		998,909	(525,270)	473,639
	Total receipts		1,729,129	115,648	1,844,777
	Payments				
	Prior appointee fees & expenses		10,674	-	10,674
	Office holders' fees	2	729,673	(281,237)	448,436
	Office holders' expenses		7,910	1,776	9,685
	Preferential distribution (100p in the £) paid 30 June 2017		539	-	539
	Professional & legal fees		33,961	4,461	38,422
	Statutory advertising		207	75	282
	Secured Creditor distributions	4	-	1,063,893	1,063,893
	Bank charges		-	288	288
	Total payments*		782,965	789,256	1,572,221
	Unsecured Prescribed Part dividend (0.7913p in the £) paid 14 August 2018	5	-	(255,420)	(255,420)
	Office holders' fees relating to the Prescribed Part	2	-	(17,136)	(17,136)
	Cash in hand		946,164	(946,164)	-
	Trading receipts and payments account				
	Receipts				
	Sales		1,691,001	-	1,691,001
	Other receipts	6	781,778	(627,895)	153,883
	Interest		4,527	722	5,248
	VAT		(68,329)	68,329	-
	Total receipts		2,408,977	(558,845)	1,850,132
	Payments				
	Wages & salaries		404,810	-	404,810
	PAYE / NI & other employee costs		110,369	-	110,369
	Trading costs	1 & 3	809,546	(33,586)	775,960
	Utilities & rates		60,630	-	60,630
	Insurance		12,632	-	12,632
	Rent		6,908	-	6,908
	ROT / duress		5,173	-	5,173
	Storage		-	11	11
	Total payments		1,410,068	(33,575)	1,376,493
	Net trading position		998,909	(525,270)	473,639
	Bank balance		1,022,339	(1,022,338)	-

*Due to rounding, these totals may not perfectly exist.

Notes to final receipts and payments account

- 1) A final reallocation of book debts between the fixed and floating accounts has been carried out following completion of the Group wide recharging exercise resulting in a movement of £11,664 from the trading account to the fixed account.
- 2) An exercise to apportion our fees between fixed and floating charges has now been finalised and the allocations between fixed, floating and Prescribed Part fees are shown here. Office holders' fees of £275,931 were billed in this period of the report which includes Prescribed Part fees of £17,136. A reallocation of previously billed fees in the amount £540,032 from the floating account to the fixed account has also been carried out.
- 3) Commissions relating to the collection of book debts have now been correctly allocated to the fixed account.
- 4) Secured Creditor distributions were historically paid from certain of the Group companies, owing to the cross guarantees in favour the Secured Lender and Pension Scheme. An exercise to correctly allocate the distributions due from the Company has now completed and the final Secured Creditor distributions are shown above; allocated between fixed and floating accounts accordingly.
- 5) The Prescribed Part distribution was calculated based on net property of £1,347,780, being the net property made up of net floating charge receipts at time of the declaration of the dividend. Since then, further floating charge costs unknown at the time of the declaration became due and payable, therefore, the net property detailed in the final receipts and payments account above has reduced by £11,068.
- 6) A reallocation of other receipts in the amount £627,895 has been carried out to reflect the correct position of other asset realisations and supplier funding, £319,895 of which relates to a rent refund and £308,000 to supplier funding.

Appendix C: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as Administrators from the estate and exclude our fees and distributions to creditors.

The table should be read in conjunction with the receipts and payments account at Appendix B, which shows expenses actually paid during the period and the total paid to date.

<i>Nature of expenses</i>	<i>Expenses incurred to 18 April 2018 (£)</i>	<i>Incurred in period since the last report (£)</i>	<i>Total expenses incurred (£)</i>	<i>Initial estimate (£)</i>	<i>Variance (£)</i>
Trading expenses					
Wages & salaries	404,810	-	404,810	359,880	(44,930)
PAYE / NI and other employee costs	110,369	-	110,369	175,291	64,922
Trading costs	809,546	(33,586)	775,960	823,532	47,572
Utilities & Rates	60,630	-	60,630	35,297	(25,333)
Insurance	12,632	-	12,632	104,737	92,105
Rent	6,908	-	6,908	39,000	32,092
ROT / Duress payments	5,173	-	5,173	449,000	443,827
Other operating expenses	-	-	-	574	574
Storage	-	11	11	-	(11)
Total Trading Expense	1,410,068	(33,575)	1,376,493	1,987,311	610,818
Other expenses					
Agents' fees and disbursements	19,365	-	19,365	-	(19,365)
Professional and legal fees and expenses	44,620	4,461	49,080	70,877	21,796
Office holders' costs (to 30 September 2018)	1,074,763	53,229	1,127,992	1,005,604	(122,389)
Office holders' disbursements	8,505	1,180	9,685	7,116	(2,569)
Pre-Administration costs	10,674	-	10,674	12,562	1,888
Statutory advertising	207	75	282	80	(202)
Commissions	-	45,250	45,250	-	(45,250)
Bank charges	-	288	288	-	(288)
Total other expenses	1,158,135	104,483	1,262,618	1,096,238	(166,380)
Total expenses (Excluding VAT)	2,568,203	70,908	2,639,111	3,083,549	444,438

Where the total incurred expense in a particular category has exceeded the initial estimate, this reflects a need to incur additional cost in order to ensure returns to creditors are maximised.

As detailed in Appendix D, the fees actually drawn by the Administrators were limited to the initial fee estimate of £1,005,604. Overall, the expenses drawn in the administration were therefore £566,827 less than our initial estimate.

Appendix D: Remuneration update

Our fees were approved on a time costs basis by the Secured Lenders at a meeting by correspondence on 22 March 2016. To 12 October 2018 we have drawn total fees of £1,005,604 in line with the approvals of the Secured Creditors, as shown on the enclosed receipts and payments account at Appendix B.

Time cost charges incurred to 30 September 2018 are shown in the table below. Consistent with previous reports, this analysis is on a calendar month basis with time incurred in the six months to 30 September 2018 detailed below. Time incurred after 1 October 2018 has been written off and will not be billed. This includes 5 hours of time with a value of £1,342 which relates to 1-18 April 2018. Time costs for the period 1 April 2017 to 31 March 2018 can be found in our last report dated 11 May 2018.

Our time costs exceeded our initial fee estimate of £1,005,604, the amount approved by the Secured Lenders as fee approving body. This was because we and our staff have had to spend more time attending to a number of complex matters which have been addressed in the Administration which were not envisaged at the time of preparing our initial estimate. This included, but was not limited to, the Group wide recharging exercise, VAT reconciliation on a Group basis and unforeseen complex unsecured claims. Incurring this additional time was necessary in order to ensure a return to creditors. The costs in relation to the Group wide VAT reconciliation have not been billed.

As noted above, although our time costs exceeded the fee estimate, the fees drawn have been capped at the fees estimate level.

We set out in this Appendix an analysis of how our time was spent, details of the work undertaken, disbursements, subcontracted work and payments to associates.

Our hours and average rates

Category of Work	Period 01/04/18 to 30/09/18			Cumulative 19/10/15 to 30/09/18		Initial Fees Estimate (£)	Variance (£)
	Hours incurred	Time costs incurred (£)	Average hourly rate (£/hour)	Hours incurred	Time costs incurred (£)		
Asset realisations							
Sale of business	-	-	-	150	64,570	60,418	(4,152)
Property	-	-	-	88	34,961	19,496	(15,465)
Debtors	0	74	370	171	60,932	31,649	(29,283)
Chattel assets	-	-	-	20	8,879	8,106	(773)
Asset realisations - Total	0	74	370	429	169,342	119,669	(49,673)
Creditors	68	16,748	246	360	87,689	101,629	5,889
Employees and pensions	-	-	-	152	49,986	43,243	(6,743)
Trading							
Trading management	-	-	-	803	317,276	322,984	5,708
Accounting and treasury	-	-	-	537	153,875	128,300	(25,575)
Retention of title	-	-	-	95	30,269	34,032	3,763
Trading - Total	-	-	-	1,435	501,420	485,316	(16,104)
Investigations	-	-	-	19	7,161	10,917	3,756
Statutory and compliance	78	22,342	285	448	149,805	104,147	(55,508)
Tax and VAT	6	2,105	334	73	39,439	41,313	9,374
Project management, strategy and administration	16	3,858	245	363	122,705	99,370	(32,290)
Total hours and fees estimate	169	45,127	267	3,280	1,118,547	1,005,604	(141,298)
VAT reconciliation - not charged to creditors	29	9,444	325	29	9,444	-	(9,444)
TOTAL HOURS AND FEES	198	54,572	276	3,309	1,127,992	1,005,604	(150,743)

*Time less than an hour will show as zero hours in the table. Time costs are shown correctly.

Our time charging policy and hourly rates

We and our team charged our time for the work we needed to do in the Administration. We delegated tasks to suitable grades of staff, taking into account their experience and any specialist knowledge needed and we supervised them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility was handled by our senior staff or us.

All of our staff who worked on the Administration (including our cashiers, support and secretarial staff) charged time directly to the case and were included in any analysis of time charged. Each grade of staff has an hourly charge out rate which was reviewed from time to time. Work carried out by our cashiers, support and secretarial staff was charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time has been charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We didn't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who worked on the administration.

Grade	Up to 30 June 2018 (£)	From 1 July 2018 (£)
Partner	865	890
Director	760	780
Senior manager	575	590
Manager	495	510
Senior associate	412	425
Associate	258	265

Support staff	129	135
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We called on colleagues in our Tax, VAT, Real Estate and Pensions departments where we needed their expert advice. Their specialist charge-out rates varied but the following were the maximum rates by grade per hour.

Grade	Up to 30 June 2018 (£)	From 1 July 2018 (£)
Partner	1,315	1,520
Director	1,210	1,390
Senior manager	1,230	1,230
Manager	735	770
Senior Associate / consultant	545	570
Associate / assistant consultant	270	305
Support staff	160	250

In common with many professional firms, our scale rates rose to cover annual inflationary cost increases.

Our work in the Administration

Earlier in this section we have included an analysis of the time spent by the various grades of staff.

Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work undertaken in the Administration, which have now all concluded: -

Category of work	General description	Work included	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Assets	Sale of business	<ul style="list-style-type: none"> Preparing an information memorandum Liaising with purchasers and solicitors Holding internal meetings to discuss/review offers received Negotiation of offers with different parties and completion of sale 	<ul style="list-style-type: none"> To achieve a better realisation for creditors than if the Company had gone into liquidation (without first being in Administration) 	<ul style="list-style-type: none"> To maximise realisations for the benefit of creditors as a whole
	Property	<ul style="list-style-type: none"> Carrying out title searches and securing relevant property records Securing possession of property Liaising with valuers, agents and landlords 	<ul style="list-style-type: none"> To identify property assets, details of ownership and charges To protect property assets Ensure best value achieved and maintain property value To mitigate potential unsecured claims 	<ul style="list-style-type: none"> To maximise realisations for the benefit of creditors as a whole Minimise possible unsecured claims
	Intangible assets	<ul style="list-style-type: none"> Carrying out tasks associated with realising such assets 	<ul style="list-style-type: none"> To understand the asset(s) and associated values To ensure an appropriate realisation strategy is effected 	<ul style="list-style-type: none"> Maximise recoveries from intangible assets for the benefit of creditors as a whole
	Insurance	<ul style="list-style-type: none"> Identifying potential issues requiring attention of insurance specialists Reviewing insurance policies Detailed discussions with insurer regarding initial and ongoing insurance requirements Realising any value within policies Agreeing and paying final insurance costs 	<ul style="list-style-type: none"> To ensure that appropriate insurance cover is in place at appropriate levels To protect the estate from possible claims (such as public liability claims) So that recoveries can be made from pre-insolvency policies 	<ul style="list-style-type: none"> Mitigate the risk of any potential losses to creditors from damage to assets or from possible claims Realisations from pre-Administration policies

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>	<i>Why the work was necessary</i>	<i>What, if any, financial benefit the work provided to creditors OR whether it was required by statute</i>
Stock	<ul style="list-style-type: none"> Conducting stock takes Reviewing stock values Liaising with purchasers 	<ul style="list-style-type: none"> To identify what stock and work in progress is held and the associated estimated to realise values of these Seek possible purchasers to acquire stock 	<ul style="list-style-type: none"> Ensuring that stock recoveries are maximised for a proportional cost, for the benefit of creditors as a whole 	
Other chattel assets	<ul style="list-style-type: none"> Liaising with interested parties Reviewing asset listings 	<ul style="list-style-type: none"> To allow office holder to understand the value of the assets and ensure an appropriate realisation strategy is used 	<ul style="list-style-type: none"> Maximise recoveries from chattel assets for the benefit of creditors as a whole 	
RoT claims	<ul style="list-style-type: none"> Arranging for the competition of retention of title claim forms Maintaining retention of title file Meeting claimants on site to identify goods Adjudicating retention of the title claims Corresponding with claimants regarding outcome of adjudication Negotiating potential settlements and making payments to satisfy valid claims 	<ul style="list-style-type: none"> To ensure that possible third party assets are identified and set aside To check validity of title claims In order to make settlements with suppliers where stock used 	<ul style="list-style-type: none"> Maximise stock recoveries whilst minimising unsecured claims, for the benefit of creditors as a whole 	
Book debts	<ul style="list-style-type: none"> Reviewing and assessing debtors ledgers Liaising with debt collectors and solicitors Liaising with all former Caparo credit managers on collecting book debts Chasing letters / legal letters sent out to all outstanding customers Finalising the transfer of the IDF accounts to the Administrators Reconciling the book debt transfers between pre-appointment, post-appointment trading sales and those post sale of the businesses Agreeing the commissions owed to the purchasers of the business, in line with the sale of business agreements 	<ul style="list-style-type: none"> Ensure best value achieved To ensure an appropriate realisation strategy is effected Ensure proper allocation and recording of receipts 	<ul style="list-style-type: none"> To maximise realisations for the benefit of creditors as a whole 	

Category of work	General description	Work included	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
		<ul style="list-style-type: none"> Dealing with ad-hoc queries and reconciliations 		
	Third party assets	<ul style="list-style-type: none"> Reviewing leasing documents Liaising with owners/lessors Carrying out tasks associated with assigning / disclaiming leases 	<ul style="list-style-type: none"> To enable third party owners to collect their assets and reduce their exposure for unpaid liabilities 	<ul style="list-style-type: none"> Mitigates potential claims against the Company as unsecured amounts or Administration expenses
Creditors	Creditor enquiries	<ul style="list-style-type: none"> Setting up a dedicated website for delivery of initial and ongoing communications and reports Updating website with reports and information for creditors Receiving and following up creditor enquiries via telephone, email and post Reviewing and preparing correspondence to creditors and their representatives Receiving and filing proofs of debt Dealing with confirmation of debt forms and liaising with credit insurers 	<ul style="list-style-type: none"> To comply with regulatory requirements or statute Respond to queries from various stakeholders 	<ul style="list-style-type: none"> Required by IA86 or IR16 or a regulator requirement
	Secured Creditors	<ul style="list-style-type: none"> Notifying Secured Creditors of appointment Preparing reports to Secured creditor Responding to Secured Creditors' queries Making distributions in accordance with security entitlements Preparing time costs reports for Pension Scheme 	<ul style="list-style-type: none"> Stakeholder management Dealing with specific reporting requirements as necessary 	<ul style="list-style-type: none"> Required by IA86 or IR16 or a regulator requirement The Administrators have a duty to act in the best interests of creditors as a whole and maintain proper records
	Preferential claims	<ul style="list-style-type: none"> Corresponding with employees regarding dividend prospects Preparing, issuing and receiving employee preferential claim agreement forms Corresponding with the RPS regarding proof of debt Calculating dividend rate and preparing dividend file Advertising dividend notice 	<ul style="list-style-type: none"> To facilitate the agreement of claims and distribution to Preferential Creditors in an expeditious manner To maintain the Company's books and records 	<ul style="list-style-type: none"> Required by IA86 or IR16 or a regulator requirement The Administrators have a duty to act in the best interests of creditors as a whole and maintain proper records

Category of work	General description	Work included	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
		<ul style="list-style-type: none"> Preparing and paying distribution Ensuring PAYE/NIC is deducted and remitted to HMRC 		
	Unsecured claims	<ul style="list-style-type: none"> Dealing with proofs of debt for dividend purposes Preparing correspondence to potential creditors inviting lodgement of proof of debt Receiving proofs of debt and maintaining register Adjudicating claims, including requesting further information from claimants Preparing correspondence to claimant advising outcome of adjudication and advising of intention to declare dividend Advertising intention to declare Prescribed Part dividend Calculating dividend rate and preparing dividend file Preparing correspondence to creditors announcing declaration of dividend Preparing and paying Unsecured distribution Dealing with unclaimed dividends 	<ul style="list-style-type: none"> To facilitate the agreement of claims and distribution to Unsecured Creditors [from the Prescribed Part] in an expeditious manner To maintain the Company's books and records 	<ul style="list-style-type: none"> Required by IA86 or IR16 or a regulator requirement The Administrators have a duty to act in the best interests of creditors as a whole and maintain proper records
	Shareholder enquiries	<ul style="list-style-type: none"> Responding to any shareholder queries 	<ul style="list-style-type: none"> Stakeholder management 	<ul style="list-style-type: none"> Required as a regulator requirement
Employees and pensions	Communications with employees	<ul style="list-style-type: none"> Drafting, issuing and delivering initial communications and announcements Preparing letters to employees advising of their entitlements and options available Appointing employee representatives and holding regular meetings Receiving and following up employee enquiries via telephone, post and email 	<ul style="list-style-type: none"> In order to consult with employees appropriately and provide information as may be required 	<ul style="list-style-type: none"> To mitigate possible claims against the insolvent estate In line with regulatory requirements

Category of work	General description	Work included	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
	Payroll	<ul style="list-style-type: none"> • Reviewing employee files and Company's books and records • Reviewing awards and payroll structure • Calculating and paying periodic payroll • Deducting and paying over PAYE/NIC to HMRC and other deductions to relevant agencies and third parties 	<ul style="list-style-type: none"> • Assess employee numbers and remuneration packages • To allow accurate reporting and payment of payroll 	<ul style="list-style-type: none"> • Regulatory requirements and duty to maintain proper books and records
	Redundancy related work	<ul style="list-style-type: none"> • Commencing / continuing a consultation process • Selecting and making redundancies • Liaising with the RPS and external agencies 	<ul style="list-style-type: none"> • In order to allow a fair and proper process to take place 	<ul style="list-style-type: none"> • Consultation in line with legal and regulatory requirements
	Pensions	<ul style="list-style-type: none"> • Reviewing insurance policies • Issuing statutory notices • Dealing with general pension scheme issues and the Pension Protection Fund • Calculating contributions and requesting payments to the relevant scheme or policy 	<ul style="list-style-type: none"> • Required as a regulatory requirement 	<ul style="list-style-type: none"> • Required as a regulatory requirement
Trading	Trading management	<ul style="list-style-type: none"> • Implementing post administration controls and procedures • Liaising with suppliers • Liaising with management and staff • Liaising with utilities providers • Entering into post administration undertakings • Attending on site • Authorising purchase orders and other commitments • Maintaining purchase order registry • Preparing and authorising receipt and payment vouchers • Reviewing Company's budgets and financial statements • Preparing budgets and financial reports 	<ul style="list-style-type: none"> • To enable the business to continue to trade • To help protect value and achieve a greater outcome via a going concern sale 	<ul style="list-style-type: none"> • Continued trading has resulted in reduced employee and supplier claims and maintained / enhanced value of the business

Category of work General description	Work included	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Processing receipts and payments	<ul style="list-style-type: none"> • Holding meetings to discuss trading position • Liaising with suppliers to finalise trading positions • Finalising trading costs and discharging our liabilities • Completing novation agreements to transfer contracts to purchaser • Re-allocation of trading costs between the Group 	<ul style="list-style-type: none"> • To pay trading administration expenses • Maintain the accounts and records of the insolvent estate 	<ul style="list-style-type: none"> • Statutory duties to: <ul style="list-style-type: none"> ◦ manage the affairs, business and property of the Company ◦ settle expenses in the prescribed order of priority ◦ keep proper books and records
Investigations	<ul style="list-style-type: none"> • Collecting Company books and records where related to investigatory work • Reviewing books and records • Preparing comparative financial statements and deficiency statement • Reviewing specific transactions and liaising with directors regarding certain transactions • Preparing investigation file and lodging findings with BEIS 	<ul style="list-style-type: none"> • Duty to take custody of the Company's books and records • To comply with regulatory requirements or statute 	<ul style="list-style-type: none"> • Required by IA86 / IR16 or regulatory requirement
Asset recoveries	<ul style="list-style-type: none"> • Identifying potential asset recoveries • Instructing and liaising with solicitors regarding recovery actions • Holding internal meetings to discuss status 	<ul style="list-style-type: none"> • To maximise realisations for the benefit of creditors as a whole 	<ul style="list-style-type: none"> • To maximise realisations for the benefit of creditors as a whole
Statutory and compliance	<ul style="list-style-type: none"> • Preparing and issuing all necessary initial letters and notices regarding the administration and our appointment 	<ul style="list-style-type: none"> • To comply with regulatory requirements or statute 	<ul style="list-style-type: none"> • Required by IA86 / IR16 or regulatory requirement

Category of work	General description	Work included	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
	Remuneration report	<ul style="list-style-type: none"> Preparing and circulating to creditors a report giving details of the work we expect to carry out during the case, our fees estimate and the expenses that are likely to be incurred 	<ul style="list-style-type: none"> To comply with regulatory requirements or statute 	<ul style="list-style-type: none"> Required by IA86 / IR16 or regulatory requirement
	Case reviews	<ul style="list-style-type: none"> Conducting case reviews after the first month, every six months, then a final review of the file at the conclusion of the administration 	<ul style="list-style-type: none"> To comply with regulatory requirements or statute 	<ul style="list-style-type: none"> Required by IA86 / IR16 or regulatory requirement
	Proposals and initial meeting of creditors	<ul style="list-style-type: none"> Drafting and reviewing a statement of proposals to creditors including statutory information. Circulating notice of the proposals to creditors, members and the Registrar of Companies Issuing notice of deemed approved proposals 	<ul style="list-style-type: none"> To comply with regulatory requirements or statute 	<ul style="list-style-type: none"> Required by IA86 / IR16 or regulatory requirement
	Progress reports and extensions	<ul style="list-style-type: none"> Preparing and issuing periodic and final progress reports to creditors and the Registrar Making applications to creditors or court for the extension of the administration and filing relevant notices 	<ul style="list-style-type: none"> To comply with regulatory requirements or statute 	<ul style="list-style-type: none"> Required by IA86 / IR16 or regulatory requirement
	Other meetings / resolutions	<ul style="list-style-type: none"> Preparing documents and information for the purpose of obtaining approval to fees, Category 2 disbursements and other matters in the administration Convening meetings for resolutions to be considered / issuing resolutions to be considered by correspondence 	<ul style="list-style-type: none"> To comply with regulatory requirements or statute 	<ul style="list-style-type: none"> Required by IA86 / IR16 or regulatory requirement
	Books and records	<ul style="list-style-type: none"> Dealing with records in storage Sending case files to storage 	<ul style="list-style-type: none"> To maintain proper records 	<ul style="list-style-type: none"> Required by IA86 / IR16 or regulatory requirement
	Other statutory and compliance	<ul style="list-style-type: none"> Filing of documents Updating checklists and diary management system 	<ul style="list-style-type: none"> Statutory duty to maintain proper records 	<ul style="list-style-type: none"> Required by IA86 / IR16 or regulatory requirement
Tax & VAT	Tax	<ul style="list-style-type: none"> Gathering information for the initial tax review 	<ul style="list-style-type: none"> In compliance with duties as proper officers for tax 	<ul style="list-style-type: none"> Governance

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>	<i>Why the work was necessary</i>	<i>What, if any, financial benefit the work provided to creditors OR whether it was required by statute</i>
		<ul style="list-style-type: none"> Carrying out tax review and subsequent enquiries Preparing tax computations Liaising with HMRC Obtaining tax clearance Submitting corporation tax returns 		<ul style="list-style-type: none"> To ensure tax accounting is accurate for the benefit of creditors as a whole
	VAT	<ul style="list-style-type: none"> Gathering information for the initial VAT review Initial notification as proper officer for tax Carrying out VAT review and subsequent enquiries Preparing and submitting VAT returns Preparing and submitting bad debt relief Liaising with HMRC Reconciliation of the Company's VAT position within the Group to ensure we have accounted to HMRC for the correct amount of VAT during the administration and that the allocations of VAT between the Group are correct Removal of the Company from VAT group 	<ul style="list-style-type: none"> In compliance with duties as proper officers for tax 	<ul style="list-style-type: none"> Governance To ensure tax accounting is accurate for the benefit of creditors as a whole
Administration	Strategy and planning	<ul style="list-style-type: none"> Completing tasks relating to job acceptance Preparing and updating estimated outcome statement Preparing fee budgets & monitoring cost Holding team meetings not relating to trading and discussions regarding status of Administration 	<ul style="list-style-type: none"> To resolve outstanding matters in line with the purpose of Administration 	<ul style="list-style-type: none"> The Administrators are required by statute to perform their functions as quickly and efficiently as possible
	Accounting and treasury	<ul style="list-style-type: none"> Opening and closing bank accounts Dealing with receipts, payments and journals not relating to trading Carrying out bank reconciliations and managing investment of funds 	<ul style="list-style-type: none"> To pay administration expenses Maintain the accounts and records of the insolvent estate 	<ul style="list-style-type: none"> Statutory duties to: <ul style="list-style-type: none"> manage the affairs, business and property of the Company settle expenses in the prescribed order of priority

Category of work General description	Work included	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Closure procedures	<ul style="list-style-type: none"> • Corresponding with bank regarding specific transfers • Withdrawing undertakings not relating to trading and obtaining clearances from third parties • Completing checklists and diary management system • Closing down internal systems • Finalise and close administration • Discharge from liability 	<ul style="list-style-type: none"> • To comply with regulatory requirements or statute 	<ul style="list-style-type: none"> o keep proper books and records • Required by IA86 / IR16 or regulatory requirement

Payments to associates

We have not made any payments to associates in the period covered by this report.

Disbursements

We didn't need to get approval to draw expenses or disbursements unless they were for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allowed for all properly incurred expenses to be recharged to the Administration has been approved by the Secured Lenders where required.

The following disbursements arose in Administration:

Category	Policy	Costs incurred £
2	Photocopying - at 12 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	1,133.34
2	Mileage - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	3,864.30
	Air fares	110.40
	Document storage	6.13
	Care hire	515.54
	Parking	41.92
	Fuel and other travel expenses	121.58
	Hotel costs	2,245.16
1	Legal and professional costs	192.36
	Insurance	225.00
	Postage	456.14
	Rail fares	206.40
	Taxi fares	526.51
	Research	10.50
	Other	30.00
	Total	9,685.28

Our relationships

We had no business or personal relationships with the parties who approved our fees or who provided services to the administration where the relationship could give rise to a conflict of interest.

Legal and other professional firms

Below is a list of professionals and subcontractors we used across the Group.

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services, including: <ul style="list-style-type: none"> • Review of Company's security position • Assisting with sale of Company's assets • Legal advice to the Administrators 	DLA Piper UK LLP	<ul style="list-style-type: none"> • Industry knowledge and insolvency expertise • Knowledge of the Company 	Time costs and disbursements
Legal services to send out 7 day legal letters to debtors who haven't paid	Browne Jacobson LLP	<ul style="list-style-type: none"> • Industry knowledge 	£10 per legal letter sent
Property agents and accounts receivable audit <ul style="list-style-type: none"> • Council tax review • Receivables review 	Consultiam Property Limited trading as CAPA	Industry knowledge	Percentage of realisations
Utilities management <ul style="list-style-type: none"> • Meter readings • Liaising with utility providers • Arranging utility supplies • Site security • Records management 	GMS Property Support Services Ltd trading as GMS Group	Industry knowledge	Fixed fee
Insurance broker <ul style="list-style-type: none"> • Reviewing insurance requirements • Arranging insurance cover • Dealing with insurance claims 	JLT Speciality Limited	Industry knowledge	Commission on premiums
Valuation of chattel assets	Hilco Valuation Services	Industry knowledge	Fixed fee
Property valuation services	Lambert Smith Hampton	Industry knowledge	Fixed fee
Vehicle valuation services	Wyles Hardy & Co	Industry knowledge	Fixed fee

As appropriate, we require all third party professionals to submit time costs analyses and narrative in support of invoices rendered.

As noted earlier in this report, the Group (including the Company) had entered into an IDF facility with the Secured Lenders. The IDF debt collection was being managed by ARMS. Following the sale of certain Group businesses, the purchaser also assisted ARMS in the collection of the IDF debts. With the Secured Lenders repaid in full, the IDF accounts have been released back to the Group, and any fees payable in connection with the collection of the IDF debts have been discharged from funds received.

Appendix E: Other information

Court details for the administration:	High Court of Justice, Chancery Division, Birmingham District Registry 8391 of 2015
Company's registered name:	Caparo Vehicle Technologies Limited
Trading name:	Caparo Vehicle Technologies Limited and Caparo AP Braking
Registered number:	05755850
Registered address:	Floor 8, Central Square, 29 Wellington Street, Leeds, West Yorkshire LS1 4DL
Date of the Administrators' appointment:	19 October 2015
Administrators' names, addresses and contact details:	Anthony Steven Barrell of PricewaterhouseCoopers LLP, Donnington Court, Pegasus Business Park, Hearld Way, Castle Donnington, East Midlands, DE74 2UZ; David Matthew Hammond of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT; and Stephen Arthur Cave of PricewaterhouseCoopers LLP, Waterfront Plaza, 8 Langanbank Road, Belfast, BT1 3LR.
Extensions to the initial period of appointment:	12 months to 18 October 2017 approved by the creditors A further 12 months to 18 October 2018 approved by the Court
Appointor's / applicant's name and address:	The directors of the Company, Caparo House, 103 Baker Street, London W1U 6LN
Split of the Administrators' responsibilities:	In relation to paragraph 100(2) Sch.B1 IA86, any act required or authorised under any enactment to be done by an administrator may be done by any or all of the Administrators acting jointly or alone.
The European Regulations on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings.
