

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A25 *A814RQG* 13/03/2019 #289
COMPANIES HOUSE

1 Company details

Company number 0 2 9 9 3 9 3 7

Company name in full Star Cars Limited

t/a Star Bus

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Andreas

Surname Arakapiotis

3 Administrator's address

Building name/number Mountview Court

Street 1148 High Road

Post town Whetstone

County/Region London

Postcode N 2 0 0 R A

Country

4 Administrator's name ①

Full forename(s) Kikis Kallis FCCA

Surname FABRP

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Mountview Court

Street 1148 High Road

Post town Whetstone

County/Region London

Postcode N 2 0 0 R A

Country

② Other administrator

Use this section to tell us about
another administrator.

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6 Period of progress report

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

7 Progress report

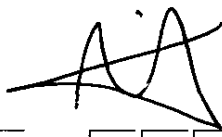
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	d	0	d	8	m	0	m	3	y	2	y	0	y	1	y	9
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AM10

Notice of administrator's progress report



Presenter information

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

Contact name	Andreas Arakapiotis
Company name	Kallis & Company
Address	Mountview Court 1148 High Road
Post town	Whetstone
County/Region	London
Postcode	N 2 0 0 R A
Country	
DX	
Telephone	020 8446 6699



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.



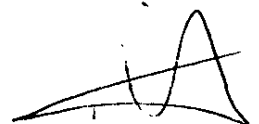
Further information

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

Star Cars Limited t/a Star Bus
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs		Period 10/8/18 to 09/02/19		
		Fixed Charge	Floating Charge	Total
Receipts	£	£	£	£
Book Debts	142,136.00		136,610.40	136,610.40
Insurance Refund	-		7,827.94	7,827.94
Cash at Bank	131,178.00		131,798.13	131,798.13
Bank Interest Gross	-		24.95	24.95
Funds held on Appointment	10,000.00		10,000.00	10,000.00
Refund/Recovery	6,406.36		3,593.64	3,593.64
Vehicles	38,000.00		31,100.80	31,100.80
Furniture, Equipment and Fittings	3,000.00		3,999.00	3,999.00
Stock	2,000.00		1,000.00	1,000.00
Goodwill	Uncertain	4,999.00	-	4,999.00
Employee Contracts	-		1.00	1.00
Client Contracts	-	1.00	-	1.00
Director's Loan Account	18,000.00			
Trading Surplus/(Deficit)			(53,970.24)	(53,970.24)
	<u>350,720.36</u>	<u>5,000.00</u>	<u>271,985.62</u>	<u>276,985.62</u>
Payments				
Specific Bond			1,030.00	1,030.00
Finance Company			8,991.08	8,991.08
Insurance (IRS)			10,927.20	10,927.20
Administrators' Post Appointment Fees			25,000.00	25,000.00
Legal Disbursements			300.00	300.00
Legal Fees		1,584.00	14,256.00	15,840.00
Duress Payment				
Subcontractors			8,411.25	8,411.25
Wages & Salaries			90,865.00	90,865.00
Staff Training			<u>600.00</u>	<u>600.00</u>
Total Payments			160,380.53	160,380.53
Receipts less Payments		<u>3,416.00</u>	<u>111,605.09</u>	<u>115,021.09</u>
REPRESENTED BY				
VAT Receivable			30,455.41	30,455.41
VAT Payable			(51,728.78)	(51,728.78)
Bank 1 Current Interest Bearing		3,416.00	106,422.71	109,838.71
Natwest - Company's Account			19,185.16	19,185.16
PAYE & NI			7,270.59	7,270.59
		<u>3,416.00</u>	<u>111,605.09</u>	<u>115,021.09</u>



Andreas Arakapiotis
Administrator

**Star Cars Limited t/a Star Bus
(In Administration)
Joint Administrators' Trading Account**

To 09/02/2019

	£	£
POST APPOINTMENT SALES		
Sales	<u>378,808.55</u>	378,808.55
OTHER DIRECT COSTS		
Sub Contractors	33,660.63	
Statement of Work Charges	<u>49,068.83</u>	(82,729.46)
TRADING EXPENDITURE		
Attachement of Earnings	400.00	
Vehicle Hire	80,477.53	
Petrol	28,862.25	
Parking	3,328.65	
Postage	37.28	
Telephone	2,216.90	
DVLA	1,835.78	
QBE Insurance	12,500.00	
Car Spares	24.99	
Bank Charges	248.90	
Pension	3,369.76	
Vehicle Repairs & Maintenance	9,318.87	
Sundry Expenses	850.28	
IT Costs	1,552.85	
Accounting fees and costs	9,626.86	
Vehicle Tracking	2,920.00	
Rent	4,041.60	
Parking/Driving Fines	55.00	
Storage	538.59	
Insurance Excess	500.00	
Utilities	256.47	
Wages	187,086.77	(350,049.33)
TRADING SURPLUS/(DEFICIT)		<u><u>(53,970.24)</u></u>

**STAR CARS LIMITED
IN CREDITORS' VOLUNTARY LIQUIDATION**

JOINT ADMINISTRATORS' FIRST PROGRESS REPORT IN ACCORDANCE WITH RULE 18.3 OF THE
INSOLVENCY RULES 2016 FOR THE PERIOD ENDING 9 FEBRUARY 2019.

Contents:

1. *Statutory Information*
2. *Introduction*
3. *Joint Administrators' Actions Since Appointment*
4. *Receipts And Payments*
5. *Assets*
6. *Liabilities*
7. *Dividend Prospects*
8. *Investigation Into The Affairs Of The Company*
9. *Pre-Appointment Remuneration*
10. *Joint Administrators' Remuneration*
11. *Joint Administrators' Expenses*
12. *Further Information*
13. *Summary*

Appendices:

1. *Receipts & Payments Account for the period from 10 August 2018 to 9 February 2019*
2. *A schedule of actions undertaken under each category in the reporting period*
3. *A schedule of Joint Administrators' time costs incurred to date and for the period from 10 August 2018 to 9 February 2019.*
4. *An explanatory note which shows Kallis & Company's fee policy*
5. *Proof of debt form*
6. *A list of trading expenses due*

Star Cars Limited t/a Star Bus ("the Company") – In Administration

ADMINISTRATORS' PROGRESS REPORT TO CREDITORS

For the six months ending 2 February 2019

STATUTORY INFORMATION

Company name:	Star Cars Limited t/a Star Bus
Court name and reference:	The High Court Number 004866 of 2018
Registered office:	1148 High Road, Whetstone, London, N20 0RA
Former registered office:	Altay House, 869 High Road, Hertfordshire, N12 8QA
Registered number:	02993937
Joint Administrators' names;	Andreas Arakapiotis and Kikis Kallis FCCA FABRP
Joint Administrators' address:	1148 High Road, Whetstone, London, N20 0RA
Joint Administrators' date of appointment:	10 August, 2018
Actions of Administrators	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

Officers of the Company:

Directors who have held office in the past 3 years:	Name	Appointed	Resigned
	Carl Simon Parkinson	24/02/2006	-
	Alex Darren Parkinson	21/09/1998	-
	Keith Parkinson	24/11/1994	-
Company secretary:	Carl Simon Parkinson	01/02/2002	-

Share capital

Authorised	Allotted, called up and fully paid
100,000 ordinary shares £0.001 each	100,000 ordinary shares of £0.001 each

Shareholders:

17,000 – Alex Parkinson
17,000 – Carl Simon Parkinson
66,000 – Keith Parkinson

ADMINISTRATORS' ACTIONS SINCE APPOINTMENT

As detailed in our proposals, Kikis Kallis and I have continued to trade the business in order to be able to sell the business on a going concern basis. This would have secured the jobs of 190 employees and maximised realisations for creditors.

We had meetings and entered into negotiations with the various London boroughs in order to keep the existing contracts. Unfortunately, despite all efforts, some of these contracts were terminated and resulted in 74 of the routes being lost and 111 employees being made redundant. It should be noted that in the majority of these cases, the employees transferred under the TUPE regulations and therefore will not have a claim for redundancy.

We have had to deal with various issues and queries raised by both the redundant employees and also the retained employees. On appointment, it was not known that the routes would be cancelled and consequently what the staffing requirements for the administration would be.

I was appointed on 10th August and the payroll was due to be paid on 16th August. In order to preserve both cash and goodwill with the staff with the purpose of preventing a "walk-out" which would have effectively ended any opportunity to trade the business, a decision was made to make a payment to the staff equivalent to 70% of their salary for July and this reduced the level of preferential creditors.

Once it became clear what the intentions of the various London Boroughs were, we entered into a redundancy programme whereby 111 employees were informed that their services were no longer required due to the contracts being terminated by the various councils.

Two councils were not supportive of the Company and the administration; namely, Barnet and Kensington & Chelsea. These two councils accounted for the majority of the Company's business.

In October 2018 the Company lost another contract and further redundancies had to be made as a result of routes that were lost. This in turn reduced the monthly payroll.

The employees which were retained were paid the balance of their July salaries.

I instructed specialist agents Lambert Smith Hampton (LSH) ("the agents") to value and market the business and assets of the Company both on an ex-situ and in-situ basis. I have liaised with the agents in respect of the offers made and the subsequent sale agreed on 3 December 2018 with Turnrest Limited ("Turnrest"), a company connected by virtue of common directorship of Alex Parkinson.

When the sale was agreed, Turnrest was unable to take on the contracts of the Company as a result of their pending licence to trade application. Accordingly, we entered into a service level agreement with Turnrest, whereby, the majority of the assets were sold to Turnrest and the contracts were subcontracted to Turnrest to carry work on behalf of the Company. As such all assets with the exception of the goodwill and contracts were sold to Turnrest until such time as the licence was granted.

Turnrest have now obtained their licence and the sale was completed on 1 February 2019.

There is certain work that I am required by the insolvency legislation to undertake work in connection with the Administration that provides no financial benefit for the creditors. A description of the routine work undertaken since our appointment as Joint Administrators is contained in Appendix 2.

PROPOSED OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATORS' STRATEGY FOR ACHIEVING THEM

As stated in my proposals, I sought to achieve objective (b) for the Company, namely 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).

This was to be done by trading the Company in the short term in order to preserve the client relations as much as possible and ensure services are not disrupted in order to achieve a sale of the business and its assets on a going concern basis.

The realisations achieved during the trading period and subsequent sales of the physical assets are greater than what would have been achieved had the company have been wound up other than by way of Administration first. Although the payments made toward July 2018 wages cost the administration some £90,000, these payments did in turn ensure the realisation of book debts. In the event of liquidation and in the event that majority of the employees were TUPED by the clients to different providers, the clients may have applied the right of set off toward the outstanding book debts and as a result these book debts would have not been received.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 10 August 2018 to 9 February 2019 is attached at Appendix 1.

The balance of funds are held in an interest bearing estate bank account.

ASSETS

Book debts

The realisable value given to book debts takes into account known bad debts of £142,136.17. To date £136,610.40 has been received. No further book debt realisations are anticipated, as the balance relates to an invoice that had been raised incorrectly. Realisations have been maximised as a result of the continued trading.

Sale of Business

On 3 December 2018, I sold the assets of the Company to Turnrest Limited, a Company connected by virtue of common directors and shareholders.

The total agreed deferred consideration for the sale of business was £50,000, as detailed below. I can confirm that realisations to-date amount to £41,000, as the balance is being paid on a deferred consideration basis at a rate of £1,000 per month. It is anticipated that this will be realised in full.

Assets	Valuation in-situ £	Valuation ex-situ £	Sale Consideration £	Amount Realised to date £
Goodwill inc. names, trading style, intellectual property	-	-	4,999	4,999
Stock	2,000	200	1,000	1,000
Furniture, Equipment & Fittings	3,000	800	3,999	3,999
Contracts	-	-	1.00	1.00
Employee Contracts	-	-	1.00	1.00
Motor Vehicles	51,000	38,000	40,000	31,000
Motor Vehicles Subject to Finance	847	Nil	Nil	Nil
Total	56,847	39,000	50,000	41,000

Motor Vehicles

The Company operated some 158 vehicles at the time of Administration. 69 of these vehicles were owned by the Company and 89 were subject to finance. Following the loss of contracts some of the financed vehicles were returned.

Following the returned vehicles, the Company were left with 63 vehicles subject to hire purchase. The contracts for these vehicles have been novated, or are being novated, to Turnrest Limited.

The Company's unencumbered vehicles had an in-situ value of £51,000 and an ex-situ value of £38,000 as shown above. Majority of the vehicles were purchased by Turnrest. All unencumbered vehicles which were not taken on by Turnrest, were sold to an unconnected party via our agents. £4,450 has been realised in this regard, however funds are yet to be received from the agents. The agents confirmed that there was no equity in the unencumbered vehicles.

Director's Loan Account

The director's loan of £18,000 represents funds that one of the directors, Mr Keith Parkinson, withdrew from the Company shortly before the administration. We have written to the director for repayment of £18,000 although nothing has been received to date. In addition, £10,000 was paid to Dianna Harris, a relative of the directors, shortly before the administration. I can confirm that to date £3,593.64 has been received.

Insurance Refund

Although not anticipated, £7,927.94 has been received from various claims made on the Company's vehicles.

Refund/Recovery

This relates to a recovery of a preference payment to Dianna Harris as detailed above.

Cash at Bank

A total of £131,798.13 has been realised in this regard which is in line with the estimated to realise value.

Bank Interest Gross

A total of £24.95 has been realised in this regard.

Cash in Hand

A total of £10,000 was paid to Kallis & Company prior to our appointment.

TRADING PAYMENTS

Other Direct Costs:

Direct Costs: This relates to payments to subcontractors for the period of trading, as well as payments to Turnrest under the service level agreement.

Expenditure:

Trading expenditures total £350,049.33 for the period since my appointment to date, of which £80,477.53 relates to vehicle hire costs and other vehicle running costs, and £187,086.77 relates to wages.

I anticipate that a total of £76,960.57 is outstanding in relation to trading expenses as seen in Appendix 6. This will be paid shortly.

LIABILITIES

Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has granted the following charges:

Type: Debenture

Persons Entitled: Alex Parkinson as Trustee of Star Bus Pension Scheme
Carl Parkinson as Trustee of Star Bus Pension Scheme
Morgan Lloyd Trustees of Trustee of Star Bus Pension Scheme

Created: 24 November 2014 **Registered:** 1 December 2014

Short Particulars: 1. charges to the pension scheme, by way of first legal mortgage, all real properties whether registered or unregistered;. 2. charges to the pension scheme, by way of first fixed charge;. A. all properties acquired by the borrower in the future; B. all present and future interests of the borrower not effectively mortgaged or charged under the preceding provisions of this clause, or over, freehold or leasehold property;. C. all present and future rights, licences, guarantees, rents, deposits, contracts, covenants and warranties relating to the properties;. D. all licences, consents and authorisations (statutory or otherwise) held or required in connection with the borrower's business or the use of any charged property, and all rights in connection with them;. E. all present and future goodwill and uncalled capital for the time being of the borrower;. F. all of the equipment. G. all of the intellectual property and all fees and royalties delivered from, or incidental to, the intellectual property;. H. all the book debts. I. All the investments; and. J. all monies from time to time standing to the credit of its accounts with any bank, financial institution or other person.. 3. assigns to the pension scheme, by way of first fixed charge, all its rights in any policies of insurance or assurance present or future (including, without limitation, any insurances relating to the properties or the equipment).

Contains fixed charge.

Contains floating charge.

Floating charge covers all the property or undertaking of the company.

Contains negative pledge.

The legislation requires that if the Company has created a floating charge after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors.

It was estimated at the date of Administration that the secured creditor are owed £19,084. A claim has yet to be received.

Preferential Creditors

The statement of affairs anticipated £200,000 in preferential creditors. Claims totaling £78,302.49 have been received to date. The sale of the business on a going concern basis secured the jobs of many employees and as a result reduced the preferential claims in the Administration.

Non-preferential unsecured Creditors

The statement of affairs included 139 non-preferential unsecured creditors with an estimated total liability of £1,154,411.87, of which HMRC is estimated to be owed £586,474. I have received claims from 26 creditors at a total of £1,014,255.02, of which £690,100.27 relates to HMRC's final claim. I have not received claims from 113 creditors with original estimated claims in the statement of affairs of £324,030.70.

DIVIDEND PROSPECTS

Secured creditors – A distribution to the charge holder, under their secured charge is to be paid in due course.

Preferential creditors - A dividend to preferential creditors is not likely

Floating charge creditors – A distribution to the charge holder, under their Floating Charge is unlikely.

Non-preferential unsecured creditors –

As previously advised, the Company gave a floating charge to Alex Parkinson as Trustee of Star Bus Pension Scheme, Carl Parkinson as Trustee of Star Bus Pension Scheme and Morgan Lloyd Trustees of Trustee of Star Bus Pension Scheme on 24 November 2014 and the prescribed part provisions will apply. Based on current information the net property of the Company would appear to be less than £10,000 as a result of the trading loss anticipated in the administration. Also, this does not take into account the costs of the Administration which will reduce the amount of the Company's net property.

Since the Company's net property is less than £10,000, the insolvency legislation does not require me to distribute the prescribed part of the net property to creditors if I think that the costs of distributing the prescribed part would be disproportionate to the benefits to creditors. I am of the view that the costs of distribution would be disproportionate and so will not be making a distribution of the prescribed part of the net property to unsecured creditors.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. Specifically, I recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements for the 12 months prior to the Company ceasing to trade from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the Administration and made enquiries about the reasons for the changes.

There were no matters that justified further investigation in the circumstances of this appointment.

Within three months of my appointment as Administrator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

PRE-ADMINISTRATION COSTS

On 7 November 2018 the following pre-administration costs were approved by the secured creditor.

Pre-administration fees charged by Kallis & Company: £3,057.50.

Pre-administration expenses incurred: £11,000.

Only the pre-appointment expenses have been paid., The pre-administration fees are yet to be paid.

ADMINISTRATORS' REMUNERATION

My remuneration was approved on a time cost basis based on a fees estimate of £120,000. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the secured creditors. My total time costs to 9 February 2019 amount to £212,895.50, representing 1,124.60 of hours work at a blended charge out rate of £189.31 per hour, The actual blended charge out rate incurred compares with the estimated blended charge out rate of £234.21 in my fees estimate. There is a difference in the blended rate charged, compared with the estimated blended rate because of the vast amount of time spent by less senior members of staff in dealing with employees, both those made redundant and those kept on.

I have drawn £25,000 to 9 February 2019.

I only anticipate needing to seek approval to draw fees in excess of this increased estimate if my additional work leads to further areas of investigation, potential further asset recoveries, or any associated action, such as arbitration or legal proceedings.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows Kallis & Company's fee policy are available at the link www.kallis.co.uk/downloads. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

ADMINISTRATORS' EXPENSES

I have incurred the following expenses in the period since my appointment as Administrator:

Type of expense	Amount incurred/ accrued in the reporting period £	Amount still to be paid £
Specific Bond	1,030	0.00
Finance Company	8,991.08	0.00
Insurance (IRS)	10,927.20	136.55
Legal Fees	5,140.00	0.00
Agents	0.00	16,200.00
Subcontractors – Duress Payment	8,411.25	0.00
Wages & Salaries – Duress Payment	90,865.00	0.00
Staff Training – Duress Payment	600.00	0.00
Total	125,994.53	16,336.55

Payments totalling £99,276.25 were paid to employees and subcontractors in the period of the administration. This was due to the fact that in the event of non-payment, there was a risk that no further work would be carried out. This would not only impact the value of the contracts and business, but would also negatively impact the ability to collect the outstanding debtor monies. This is due to the fact that the majority of book debts were owed from ongoing contracts. In the event that they were no longer able to be serviced, there would be significant payments withheld and contra charges applied to those accounts.

A payment of £8,991 was made to the Finance Companies pre appointment. The funds left the account after on the date of Administration.

I have incurred the following category 2 disbursements in the period since my appointment as Administrator:

Type of category 2 disbursement	Amount incurred/accrued in the reporting period	Amount still to be paid
Postage	£214.89	£214.89
Mileage	£8.92	£8.92

In addition to the expenses already incurred, I anticipate that the following expenses will arise in these proceedings:

Disbursements	£	Basis of Fee
Postage	125.00	Based on current prices
Storage	90.00	Estimated for case closure within the year

I have used the following agents or professional advisors in the reporting period:

Professional Advisor	Nature of Work	Fee Arrangement
LSH	Valuer/Auctioneer	Time Costs
AC Partners	Accountancy/Bookkeeping	Time Costs
Nicholas & Co	Legal Fees	Time Costs

The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

As at the time my fee report was prepared, majority of my expenses had been incurred, therefore I did not need to provide an estimation of these.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Kallis & Company can be found at www.kallis.co.uk/legal.

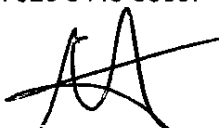
SUMMARY

The Administration will remain open until the following matters have been finalised:

- The deferred consideration of £9,000 from the sale of assets has been paid in full.
- The DLA has been pursued and repaid from Mr Keith Parkinson.
- Pay a dividend to the secured creditor.

I estimate that this will take approximately 12 months, and once these matters have been finalised the Administration will cease and my files will be closed. I anticipate needing to seek an extension of the Administration.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available on-line, they should contact Orkida Aliaj by email at , or by phone on 020 8446 6699.



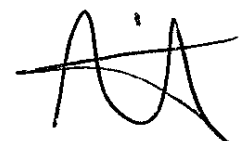
Andreas Arakapiotis
JOINT ADMINISTRATOR

The affairs, business and property of the Company are being managed by the Joint Administrators, Andreas Arakapiotis and Kikis Kallis FCCA FABRP. The Joint Administrators act as agents of the Company and contract without personal liability.

Star Cars Limited t/a Star Bus
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Appendix 1

Statement of Affairs		Period 10/8/18 to 09/02/19		
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Insurance Refund	-		7,827.94	7,827.94
Cash at Bank	131,178.00		131,798.13	131,798.13
Bank Interest Gross	-		24.95	24.95
Funds held on Appointment	10,000.00		10,000.00	10,000.00
Refund/Recovery	6,406.36		3,593.64	3,593.64
Vehicles	38,000.00		31,100.80	31,100.80
Furniture, Equipment and Fittings	3,000.00		3,999.00	3,999.00
Stock	2,000.00		1,000.00	1,000.00
Goodwill	Uncertain	4,999.00	-	4,999.00
Employee Contracts	-		1.00	1.00
Client Contracts	-	1.00	-	1.00
Director's Loan Account	18,000.00			
Trading Surplus/(Deficit)			(53,970.24)	(53,970.24)
	<u>350,720.36</u>	<u>5,000.00</u>	<u>271,985.62</u>	<u>276,985.62</u>
Payments				
Specific Bond			1,030.00	1,030.00
Finance Company			8,991.08	8,991.08
Insurance (IRS)			10,927.20	10,927.20
Administrators' Post Appointment Fees			25,000.00	25,000.00
Legal Disbursements			300.00	300.00
Legal Fees		1,584.00	14,256.00	15,840.00
Duress Payment				
Subcontractors			8,411.25	8,411.25
Wages & Salaries			90,865.00	90,865.00
Staff Training			<u>600.00</u>	<u>600.00</u>
Total Payments			160,380.53	160,380.53
Receipts less Payments		<u>3,416.00</u>	<u>111,605.09</u>	<u>115,021.09</u>
REPRESENTED BY				
AT Receivable			30,455.41	30,455.41
AT Payable			(51,728.78)	(51,728.78)
Bank 1 Current Interest Bearing		3,416.00	106,422.71	109,838.71
Latwest - Company's Account			19,185.16	19,185.16
AYE & NI			7,270.59	7,270.59
		<u>3,416.00</u>	<u>111,605.09</u>	<u>115,021.09</u>



Andreas Arakapiotis
Administrator

**Star Cars Limited t/a Star Bus
(In Administration)
Joint Administrators' Trading Account**

Period 10/8/18 to 09/02/19

	£	£
POST APPOINTMENT SALES		
Sales	<u>378,808.55</u>	378,808.55
OTHER DIRECT COSTS		
Sub Contractors	33,660.63	
Statement of Work Charges	<u>49,068.83</u>	(82,729.46)
TRADING EXPENDITURE		
Attachement of Earnings	400.00	
Vehicle Hire	80,477.53	
Petrol	28,862.25	
Parking	3,328.65	
Postage	37.28	
Telephone	2,216.90	
DVLA	1,835.78	
QBE Insurance	12,500.00	
Car Spares	24.99	
Bank Charges	248.90	
Pension	3,369.76	
Vehicle Repairs & Maintenance	9,318.87	
Sundry Expenses	850.28	
IT Costs	1,552.85	
Accounting fees and costs	9,626.86	
Vehicle Tracking	2,920.00	
Rent	4,041.60	
Parking/Driving Fines	55.00	
Storage	538.59	
Insurance Excess	500.00	
Utilities	256.47	
Wages	187,086.77	(350,049.33)
TRADING SURPLUS/(DEFICIT)		<u><u>(53,970.24)</u></u>

Appendix 2

A. Work for which the Administrator is seeking to be remunerated on a time basis:

Administration:

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

Setting up physical/electronic case files (as applicable).

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

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

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

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

Filing the proposals at Companies House.

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

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

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

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

Undertaking regular reconciliations of the bank account containing estate funds.

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

Undertaking periodic reviews of the progress of the case.

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

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

Filing progress reports at Companies House.

Preparing and filing VAT returns.

Preparing and filing Corporation Tax returns.

Seeking closure clearance from HMRC and other relevant parties.

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

Filing final reports at Companies House.

Realisation of assets:

Arranging suitable insurance over assets.

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

Corresponding with debtors and attempting to collect outstanding book debts.

Liaising with the bank regarding the closure of the account.

Instructing agents to value known assets.

Liaising with agents to realise known assets.

Instructing solicitors to assist in the realisation of assets.

Collecting payment for the sale of assets

Creditors:

Obtaining information from the case records about employee claims.

Completing documentation for submission to the Redundancy Payments Office.

Corresponding with employees regarding their claims.

Liaising with the Redundancy Payments Office regarding employee claims.

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

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

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

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

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

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

Paying tax deducted from the dividends paid to employees.

Investigations:

Recovering the books and records for the case.

Listing the books and records recovered.

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

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

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

Trading:

Obtaining appropriate information about the business and preparing a business plan and cash flow forecasts.

Arranging suitable insurance for the business

Setting up suitable systems and controls in respect of purchases and sales for the business

Liaising with staff and trade unions

Setting up a new RTI registration for the business with HMRC and submitting relevant information in respect of wages and salaries paid

Monitoring and controlling the day to day trading of the business

Monitoring compliance with Health and Safety obligations in respect of the business

Analysis of Administrator's time costs for the period 10/08/2018 To 09/02/2019

Classification of Work Content	Partner Hours	Senior Manager Hours	Manager Hours	Senior Hours	Support Hours	Total Hours	Total Cost (GBP)	Average Hourly Rate (GBP)
Administration & Planning								
AD1.1 - Case planning and review	29.20	0.20	102.30	0.70	67.10	199.50	39,016.00	195.57
AD1.2 - Ongoing administration matters	22.60	0.20	9.00	0.00	27.80	59.60	11,531.00	193.47
AD1.3 - Statutory notices & reporting	5.60	0.00	83.10	0.70	39.30	128.70	24,815.00	192.81
Financials								
AD2.1 - Completion and agreement of tax returns	1.00	0.00	10.20	0.00	0.00	11.20	2,670.00	238.39
AD2.2 - Banking and reconciliations	3.80	1.90	11.70	1.50	52.40	71.30	9,853.50	138.20
AD2.3 - Expense reviews and payments	0.00	0.20	1.50	0.00	0.00	1.70	396.50	233.24
Realisation of Assets								
AD3.1 - Dealing with agents, asset and business sales	1.00	0.80	6.40	1.50	14.30	24.00	3,588.50	149.52
AD3.2 - Book debt collection	2.80	0.90	3.80	0.00	38.10	45.60	5,868.50	128.70
AD3.3 - Identifying assets and recovery	37.40	4.20	28.70	0.00	1.20	71.50	20,209.50	282.65
AD3.4 - Dealing with leasehold and freehold property	34.60	4.20	9.40	0.00	0.40	48.60	14,737.00	303.23
Investigations								
AD4.1 - SIP 2 review & CDDA reports	0.80	0.00	8.60	0.00	0.00	9.40	2,235.00	237.77
AD4.2 - Inventory and record review	1.20	0.00	10.70	0.00	0.80	12.70	2,937.50	231.30
Creditors								
AD5.1 - Communication with creditors	0.80	0.00	0.00	0.00	0.00	0.80	300.00	375.00
AD5.2 - Creditors' claims (including Employees' and other preferential creditors')	0.00	0.00	3.20	0.00	9.40	12.60	1,660.00	131.75
Trading								
AD7.1 - Management of operations	0.00	0.00	2.20	0.00	9.40	11.60	1,435.00	123.71
AD7.2 - Accounting for trading	0.00	0.00	1.00	0.00	0.00	1.00	225.00	225.00
AD7.3 - On-going employee issues	1.40	3.90	147.40	1.30	247.80	401.80	59,671.00	148.51
Total Hours	178.80	35.40	439.00	3.50	467.90	1,124.60		189.31
Total Fees (GBP)	56,450.00	10,443.00	98,775.00	437.50	46,790.00		212,895.50	

PRACTICE FEE RECOVERY POLICY FOR KALLIS & COMPANY

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.kallis.co.uk. Alternatively a hard copy may be requested from Kallis & Company, Mountview Court, 1148 High Road, London N20 0RA. Please note, that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 01/10/2017	Previous charge-out rate per hour, effective from 01/10/2015	Previous charge-out rate per hour, effective from 01/10/2012	Previous charge-out rate per hour, effective from 01/10/2010
Partner – appointment taker	£295-375	£340-375	£275-£335	£275-£320
Senior Manager	£285	£285	£275	£275
Manager	£225	£225	£170-£275	£170-£275
Senior/Case Administrator	£125-175	£150-175	£90-£175	£90-£175
Support Staff	£85-100	£85-100	£60-£85	£60-£85

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

These charge-out rates charged are reviewed on periodic basis and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

Administration and Planning; Financials; Investigations; Realisation of Assets; Creditors; Trading; Case specific matters.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we continue to seek time costs for the majority of our cases.

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that

will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

Solicitors/Legal Advisors; Auctioneers/Valuers; Accountants; Quantity Surveyors; Estate Agents; Other Specialist Advisors.

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Kallis & Company; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Room Hire	£50 per hour
Mileage	www.gov.uk/government/publications/rates-and-allowances-travel-mileage-and-fuel-allowances
Storage	£15 per box per annum
Destruction Costs	£5.50 per box

Rule 14.4 The Insolvency (England and Wales) Rules 2016

Proof of Debt – General Form

IN THE **HIGH COURT**

Number: **004866 of 2018**

Name of Company in Administration: **Star Cars Limited t/a Star Bus**

Company Registration Number: **02993937**

Date of Administration: **10 August, 2018**

1 Name of creditor

(If a company, please also provide the company registration number).

2 Correspondence address of creditor (including any email address)

3 Total amount of claim (£)
(include any Value Added Tax)

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

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

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

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

8 Details of any document by reference to which the debt can be substantiated

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

10 Address of person signing if different from 2
above

11 Name in BLOCK LETTERS:

12 Position with, or relation to, creditor

13 Date of signature

Admitted to vote for

Amount (£)

Date

Admitted for dividend for

Amount (£)

Date

Andreas Arakapiotis
JOINT ADMINISTRATOR

Andreas Arakapiotis
JOINT ADMINISTRATOR

Notes:

1. There is no need to attach them now but the office holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.

2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office holder. If completing on behalf of a company, please state your relationship to the company.

Star Cars Limited - (In Admin)

Trading expenses due to be paid:

Access - Car Parking	3,020.00
Accountancy fees and costs	1,000.00
Affinity Water	92.65
Aldermore - vehicle hire	973.46
Attachemnt of Earnings	279.95
APA - Bookkeeper	1,428.00
Barnet Council - Rates	453.11
Bridge Fleet Solution	1,080.00
Cannon Hygiene	117.96
Dawsons*	11,323.56
DVLA Fine	175.00
EE - telephone	2,000.00
Haydock - vehicle hire	2,741.12
Employees Holiday Pay	1,500.00
IT Logic	534.30
LSH - agents	10,000.00
Pre- Appointment fees	3,500.00
Passenger Lift Services	300.00
PCN	150.00
Pension payments	429.94
Scouts parking rental - car park rental	600.00
Secure Trust - vehicle hire	2,741.60
Shawbrook - vehicle hire	<u>1,674.84</u>
	46,115.49

*We believe that Dawsons are owed £11,323.56. We have received a payment demand for £52,734.73 although this has been disputed on the basis that the majority of these costs relate to pre-administration liabilities. We are currently in discussions with Dawons on this basis.