

Joint liquidators' first progress report for the period 4 June 2021 to 3 June 2022 and final account

Penso City Vehicles Limited - in liquidation

15 July 2022

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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
Company/PCVL	Penso City Vehicles Limited
Liquidators	Edward Williams and David Matthew Hammond
Bank	Clydesdale Bank Plc
Firm/PwC	PricewaterhouseCoopers LLP
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
CVL	Creditors' voluntary liquidation
HMRC	HM Revenue and Customs
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
PCL	Penso Consulting Limited
PGHL/Purchaser	Penso Group Holdings Limited/McDermott Group Plc
PHL	Penso Holdings Limited
Secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
First ranking preferential creditors	Creditors with claims for: <ol style="list-style-type: none">1. unpaid wages for the whole or any part of the period of four months before 4 June 2021 (up to a maximum of £800);2. accrued holiday pay for any period before 4 June 2021; and3. unpaid pension contributions in certain circumstances.
Secondary preferential creditors	HMRC in respect of taxes due from employees and customers that are withheld by the business and then paid over in one lump sum periodically to HMRC, such as VAT, PAYE and employees' National Insurance contributions
Bank	Clydesdale Bank Plc, a secured creditor
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy and Industrial Strategy, which authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996
Unsecured creditors	Creditors who are neither secured nor preferential

This report has been prepared by Edward Williams and David Matthew Hammond as Liquidators of the Company, solely to comply with the Liquidators' statutory duty to report to creditors under IR16 on the progress of the liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Liquidators do not assume any liability in respect of this report to any such person.

Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Edward Williams and David Matthew Hammond have been appointed as Liquidators of the Company. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Liquidators 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 Liquidators 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 Liquidators. Personal data will be kept secure and processed only for matters relating to the Liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Liquidators.

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Key messages

Why we've sent you this report

I'm writing to update you on the progress of the liquidation of Penso City Vehicles Limited for the period 4 June 2021 to 3 June 2022.

In addition, as the Company's affairs are now fully wound up, this report also includes our final account of the liquidation.

You can still view our earlier reports on our website at www.pwc.co.uk/penso. Please get in touch with us at uk_penso_creditors@pwc.com if you need the password to access the reports.

How much creditors have received

The following table summarises the possible outcome for creditors, based on what we currently know.

Class of creditor	Current estimate (p in £)
Secured creditors	nil
First ranking preferential creditors	nil
Secondary preferential creditors	nil
Unsecured creditors	nil

Unfortunately there were insufficient realisations in this case to meet all the costs and as a result there won't be a distribution to any class of creditor.

What you need to do

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

However, the enclosed Notice of Final Report gives details of creditors' rights in relation to requesting further information, challenging the Liquidators' remuneration and expenses and objecting to the Liquidators' release from liability.

More information in relation to creditors' rights can also be found in the guide below:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/liquidations-creditor-fee-guide-1-april-2021.ashx?la=en>

You can also get a copy free of charge by telephoning Joshua Liburd on 0113 289 4000 or emailing uk_penso_creditors@pwc.com.

Overview of what we've done to date

This is our first progress report and final account to members and creditors.

We summarise below the Company's background and reasons for its insolvency:

The Company was a manufacturer of motor vehicles and associated parts, based in Coventry. In March 2020, the impact of the Coronavirus pandemic saw the immediate cessation of demand for the Company's products. The Company sought to diversify but the shortage of materials such as semiconductors restricted the Company's ability to produce vehicles and other products.

As a result the Company was unable to sustain its position or secure additional funding and the directors had no alternative but to consider insolvency proceedings. A Notice of Intention to appoint administrators was filed on 7 May 2021, but ultimately the Company entered into CVL on 4 June 2021. We were appointed Liquidators on that date. A group company, PCL, was also placed in liquidation on the same date.

Immediately upon our appointment, we secured and took control of the Company's assets which included:

- Plant and equipment;
- Stock;
- Goodwill;
- Intellectual property; and
- Debtors.

We decided the most appropriate strategy was to seek a sale of the Company's asset and sought to market the asset alongside those of PCL accordingly. On 21 June 2021 a sale was concluded to McDermott Group Plc.

Outcome for creditors

Secured creditors

The Bank's lending to the Company as at the date of liquidation was in the region of £1.75M and is secured by a debenture dated 6 June 2017. This security gives the Bank fixed charge over certain prescribed assets and floating charges over all remaining Company assets. We do not anticipate making a distribution to the Bank under either its fixed or floating charge.

Additional secured creditors are Birmingham City Council and Bicester Lane Limited. We do not anticipate making any distributions to these secured creditors, as a result of a lack of available assets.

First Ranking Preferential Creditors (mainly employees)

There are no first ranking preferential creditors.

Secondary Preferential Creditors

The directors' statement of affairs does not identify any outstanding balance due to HMRC. HMRC have subsequently confirmed via a proof of debt form that they do not have a preferential claim in this case.

Unsecured creditors

Dividends become available for unsecured creditors when there are sufficient funds (after costs of the liquidation) to pay the secured and preferential creditors in full, with an amount left over. In certain circumstances, part of the amount available for secured creditors may be ring-fenced for the benefit of unsecured creditors. This prescribed part is paid out of 'net property', which is floating charge realisations after costs, and after paying – or setting aside enough to pay – preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

The prescribed part applies in this case as there is a floating charge created after 15 September 2003.

The amount of the prescribed part is:

- 50% of net property up to £10,000
- 20% of net property above £10,000
- Subject to a maximum of £600,000

We don't think there will be a prescribed part because we don't think the Company will have any net property. As such we based on what we know currently there will be no funds available to pay a dividend for unsecured creditors

Progress in the period 4 June 2021 to 3 June 2022

Realisation of assets

Sale of Business

Creditors will recall that full details of the sale of business were provided in the Initial report to creditors and members dated 30 June 2021; however for the purposes of this report, an overview is provided.

Following our appointment as liquidators, we were contacted by McDermott Group plc, who expressed an interest in purchasing the assets of the business which specifically relate to the intellectual property assets in relation to PCVL. A sale was progressed and completed on 21 June 2021. To facilitate the sale, a new company, PGHL was incorporated on 11 June 2021. Two of the directors of PCL were appointed directors of PGHL. As such we reported the sale as a “Connected Party Transaction” in our initial report to creditors and members dated 30 June 2021.

The transaction was for consideration of £160k plus VAT, payable upon completion, for all of the plant, machinery and equipment, stock and all intellectual property (including trademarks, patents, trademarks, designs, copyright and database rights) owned by PCVL and its sister company, PCL. The split of consideration is shown below:

- Business Name = £1 (PCL)
- Business Rights = £1 (PCL)
- Plant = £150,000 (PCL)
- Stock = £5,000 (PCL)
- Intellectual Property = £4,998 (the Company)

Consideration received in relation to PCVL amounted to £4,998 in respect of intellectual property. All other assets sold as part of the sale related to its sister company PCL.

Creditors will note from the director’s statement of affairs that upon our appointment we took control of plant and equipment, stock, work in practice and goodwill with a book value of £2.3m but which was not estimated to realise any value according to the directors statement of affairs. Following an analysis of the assets of PCVL, it was determined that in view of the types of vehicles produced (diesel taxi vehicles), the market demand at the time of appointment was significantly reduced due to the COVID 19 pandemic. In addition, regulatory changes surrounding the production of diesel taxi vehicles had depleted the demand for such products and therefore supported the nil realisable value of these assets.

Intellectual property assets were therefore determined as the only saleable asset in respect of PCVL. Based on valuation advice received from our agents, the amount received in respect of intellectual property from this sale was higher than the value likely to have been realised on a break up, auction driven basis as a result of the market factors set out above. Realisation of intellectual property at the value achieved reflects a fair value in view of the lack of value of assets in this estate.

We did receive other offers, on a piecemeal basis, for Intellectual property but these were not considered to deliver sufficient value when compared to the completed transaction.

Book debts

The statement of affairs indicates debtors valued at £782,000. All of these book debts were secured by way of a fixed charge to Clydesdale Bank Plc.

During the period we have provided assistance where required to the Bank with regards to the recovery of book debts, it is our understanding that to date no material post appointment recoveries relating to book debts have been made.

We will continue to provide assistance where required until the conclusion of the liquidation.

The directors indicated on the statement of affairs an intercompany debtor position with a value of £912,334 from PCL to PCVL. Given that there will not be a distribution from PCL to any class of creditors, no realisations will be made in respect of this.

VAT refund

Following our appointment we recovered a pre-appointment VAT refund in the sum of £73,662.93 as shown in the directors statement of affairs and within the receipts and payments accounts in Appendix A (1).

Bank Interest

In the period we have realised £42.06 in respect of bank interest. The bank account has now been taken off interest bearing and no further interest will be accrued.

Statutory and compliance

Tax

On appointment, our tax specialist colleagues undertook a review of the pre-appointment tax affairs of the Company. They advised that it was not in creditors' interests to complete outstanding pre-appointment tax returns. Consideration was given in relation to the sale of tax losses but this was not considered commercially viable.

Our first and final tax return was submitted in March 2022, with a small liability to HMRC, which has since been paid. HMRC have confirmed that all corporation tax matters have been dealt with and have granted tax clearance as of 17 May 2022.

VAT

Our VAT specialist colleagues undertook an initial review of the pre-appointment VAT position, once we were appointed liquidators, which showed the Company to be in a VAT receivable position. These funds were subsequently received from HMRC as shown in the receipts and payments account in Appendix A.

During the period we have undertaken one quarterly VAT return resulting in a VAT repayable position. Following the submission of the first return, the Company has been deregistered for VAT purposes.

Investigations and actions

We have reviewed the Company's affairs and taken into account any points raised by creditors in discharging our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2. At this time, nothing has come to our attention to suggest that we need to do any more work in line with our duties.

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Progress since 4 June 2022

Since 4 June 2022, we have undertaken the following matters in order to bring the liquidation to a conclusion:

- Finalised the costs of the liquidation;
- Drawn the Liquidators' final remuneration and expenses;
- Closed the Liquidators' bank account;
- Submitted our final VAT 426 to HMRC.

Once the 8 week period following the delivery of this report has expired, we will file the final notice with the Registrar of Companies and vacate office.

Our receipts and payments accounts

We set out in Appendix A (1) an account of our receipts and payments in the liquidation from 4 June 2021 to 3 June 2022.

In Appendix A (2) we have provided an account of our receipts and payments in the liquidation from 4 June 2022 to 29 June 2022 and for the liquidation in total.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to 3 June 2022, expenses incurred from 4 June 2022 to 29 June 2022 and an estimate of our future expenses.

Our fees

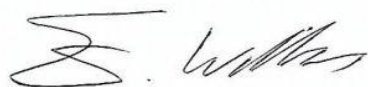
We set out in Appendix C an update on our fees, expenses and other related matters.

What we still need to do

The winding up of the Company is now complete. Following the end of the period within which creditors may object to our release, we will send a copy of this final account to the Registrar of Companies with a statement of whether any creditors of the Company objected. We will vacate office upon delivering a copy of the report and statement to the Registrar.

If you've got any questions, please get in touch with Josh Liburd, on 0113 280 4000

Yours faithfully



Edward Williams
Liquidator

Appendices

Appendix A(1): Receipts and payments for the period 4 June 2021 to 3 June 2022

Statement of Affairs (£)	from 4 June 2021 to 3 June 2022 (£)
Receipts	
73,663	73,662.93
-	4,998.00
-	-
-	-
-	-
-	-
-	42.06
Total Receipts	78,702.99
Payments	
	60,000.00
	395.62
	2,209.10
	399.76
	101.16
	174.00
Total Payments	63,279.64
Balance	15,423.35
VAT Control Account	-
Cash held in an interest bearing Bank Accounts (4)	15,423.35

Appendix A(2) : Receipts and payments for the period 4 June 2022 to 29 June 2022

Statement of Affairs (£)	04 June 2021 to 03 June 2022 (£)	04 June 2022 to 29 June 2022 (£)	Total to 29 June 2022 (£)
Receipts			
73,663	73,662.93	-	73,662.93
-	4,998.00	-	4,998.00
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	42.06	-	42.06
Total Receipts	78,702.99	-	78,702.99
Payments			
	60,000.00	15,255.64	75,255.64
	395.62	10.62	406.24
	2,209.10	-	2,209.10
	399.76	-	399.76
	101.16	157.09	258.25
	174.00	-	174.00
Total Payments	63,279.64	15,423.35	78,702.99
Balance	15,423.35	(15,423.35)	-
VAT Control Account	-	-	-
Cash held in a non interest bearing Bank Accounts (4)	15,423.35	(15,423.35)	-

Notes to the R&Ps

1. Amounts shown exclude VAT. Funds currently held may include monies due to HMRC or other members of a VAT group, or exclude monies which will be received in due course from these parties.
2. As explained further in Appendix C, our fees are based on time costs. The receipts and payments accounts show the amounts paid in the period and total to the conclusion of the liquidation.

Fee basis	4 June 2021 to 3 June 2022 (£)	4 June 2022 to 29 June 2022 (£)	Total (£)
Time costs	60,000.00	15,255.64	75,255.64

3. Included within our expenses is £2,890.50 paid in the period and £3,047.59 paid in total to 29 June 2022, in relation to 'Category 2' expenses in accordance with the policy explained in Appendix B.

4. As at 3 June 2022, funds were held in a non-interest bearing account, held in the name of the insolvent estate. Since that date we have closed the bank account.

Appendix B: Expenses

Expenses are amounts properly payable by us as liquidators from the estate, but excludes our fees and distributions to creditors.

These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the general body of creditors) also has the responsibility for agreeing the policies for payment of Category 2 expenses.

The following table provides a breakdown of the Category 2 expenses have been incurred by us as liquidators or our associates, together with details of the Category 1 expenses that have been incurred by PwC and will be recharged to the case:

Category	Cost incurred by	Policy:	From 4 June 2021 to 3 June 2022 (£)	From 4 June 2022 to 29 June 2022 (£)	Total to 29 June 2022 (£)
2	PwC	Photocopying - at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	20.58	-	20.58
2	PwC	Mileage - At a maximum of 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc) for petrol/diesel/hybrid vehicles up to a maximum of 72 pence for electric vehicles/ up to 12 pence per mile for bicycles	114.75	-	114.75
1	PwC	Bonding	225.00	-	225.00
1	PwC	Archiving	45.91	-	45.91
Total			406.24	-	406.24

The expense policy set out above has been approved by the general body of creditors.

The table below provides details of the expenses incurred in the liquidation

Nature of expenses	Incurred in the period 4 June 2021 to 3 June 2022 (£)	Incurred in the period 4 June 2022 to 29 June 2022 (£)	Cumulative (£)	Estimated future (£)	Anticipated total (£)	Initial estimate (£)	Variance (£)
Legal Fees & Expenses	2,209.10	-	2,209.10	-	2,209.10	2,209.10	-
Office Holder Disbursements	406.24	-	406.24	-	406.24	610.33	204.09
Storage	101.16	157.09	258.25	-	258.25	351.16	92.91
Statutory Advertising	174.00	-	174.00	-	174.00	174.00	-
Total	2,890.50	157.09	3,047.59	-	3,047.59	3,344.59	297.00

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to 29 June 2022.

For consistency with our previous reports the table does not include any corporation tax liabilities. We do not anticipate incurring any additional tax liabilities as we have now concluded the liquidation and we have received tax clearance from HMRC.

Appendix C: Remuneration update

Our fees were approved on a time costs basis by the general body of creditors on 20 December 2021. This approval allows us to draw fees by reference to the time properly given by us and our staff in dealing with the liquidation.

We have drawn fees of £75,255.64 in line with the approval given, as shown on the enclosed receipts and payments account.

The time cost charges incurred in the period 4 June 2021 to 3 June 2022 are £109,889.35. From 4 June 2022 to 29 June 2022, we have incurred further costs of £20,654.75. Total time costs incurred during the liquidation to 29 June 2022 are £130,544.10. This amount does not necessarily reflect how much was drawn as fees for this period and we are restricted by cash available in the estate. We do not intend to draw any additional fees in this case.

We set out later in this Appendix details of our work to date, anticipated future work to the closure of the case, expenses, subcontracted work and payments to associates.

Our hours and average rates

Time costs in the period 4 June 2021 to 3 June 2022

Category	Partner	Director	Senior Manager	Manager	Senior Associate	Associate / Other	Hours	Total Cost 04 June 2021 to 03 June 2022 (£)	Average Hourly Costs (£)
Accounting and Treasury				3.25	7.40	4.20	14.85	6,049.50	407.37
Assets	2.50	1.30	1.00	2.55	1.90	2.20	11.45	6,244.75	545.39
Creditors			1.40	0.10	1.60	18.05	21.15	6,465.50	305.70
Closure Procedures					0.80		0.80	340.00	425.00
Employees and Pensions				2.75	1.25		4.00	1,806.25	451.56
Investigations		0.40		7.75	1.20	4.45	13.80	6,076.25	440.31
Strategy and Planning	1.50	0.40		6.70	13.65	6.78	29.03	12,627.60	434.98
Statutory and Compliance	0.25		1.60	24.95	17.50	10.45	54.75	23,450.50	428.32
Tax and VAT			4.85	9.55	23.30		37.70	24,660.25	654.12
Post Sale Matters	25.25		0.35				25.60	22,168.75	865.97
Grand Total	29.50	2.10	9.20	57.60	68.60	46.13	213.13	109,889.35	515.60

Total time costs for the liquidation to 29 June 2022

Category	Partner	Director	Senior Manager	Manager	Senior Associate	Associate / Other	Hours	Total Cost 04 - 29 June 2022(£)	Average Hourly Costs (£)	Brought forward (£)	Total to 29 June 2022 (£)
Accounting and Treasury			0.10	0.40	1.00	3.20	4.70	1,600.50	340.53	6,049.50	7,650.00
Assets			0.25		0.40		0.65	376.25	578.85	6,244.75	6,621.00
Creditors			0.10	0.70	0.40		1.20	600.00	500.00	6,465.50	7,065.50
Closure Procedures					5.75	3.10	8.85	3,311.75	374.21	340.00	3,651.75
Employees and Pensions				0.25			0.25	131.25	525.00	1,806.25	1,937.50
Investigations										6,076.25	6,076.25
Strategy and Planning				1.10	1.70		2.80	1,300.00	464.29	12,627.60	13,927.60
Statutory and Compliance				9.85	15.95		25.80	11,950.00	463.18	23,450.50	35,400.50
Tax and VAT				1.10	1.90		3.00	1,385.00	461.67	24,660.25	26,045.25
Post Sale Matters										22,168.75	22,168.75
Grand Total	0.00	0.00	0.45	13.40	27.10	6.30	47.25	20,654.75	437.14	109,889.35	130,544.10

Time Costs vs Budget Analysis

Category	Total to 29 June 2022 (£)	Future costs (£)	Anticipated total (£)	Original Estimate (£)	Budget Variance (£)
Accounting and Treasury	7,650.00	1,500.00	9,150.00	5,515.50	(3,634.50)
Assets	6,621.00	-	6,621.00	6,227.75	(393.25)
Creditors	7,065.50	1,500.00	8,565.50	4,680.00	(3,885.50)
Closure Procedures	3,651.75	3,000.00	6,651.75	7,164.75	513.00
Employees and Pensions	1,937.50	-	1,937.50	2,332.50	395.00
Investigations	6,076.25	-	6,076.25	6,076.25	-
Strategy and Planning	13,927.60	-	13,927.60	13,265.35	(662.25)
Statutory and Compliance	35,400.50	1,500.00	36,900.50	37,120.50	220.00
Tax and VAT	26,045.25	-	26,045.25	25,412.00	(633.25)
Post Sale Matters	22,168.75	-	22,168.75	21,900.00	(268.75)
Grand Total	130,544.10	7,500.00	138,044.10	129,694.60	(8,349.50)

Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the liquidation. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. For the avoidance of doubt, work carried out by our cashiers, support and secretarial staff is charged on a time costs basis and is included in the analysis of hourly rates charged by partners or other staff members. Time is charged in three minute units (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidation.

With effect up to 30 June 2021	Business Recovery Services Maximum rate per hour	Specialist maximum rate per hour
Grade	(£)	(£)
Partner	850	1,200
Director	720	975
Senior Manager	585	850
Manager	475	630
Senior Associate	390	500
Associate	245	275
Offshore Professionals	245	N/A
Support staff	125	140

With effect from 1 July 2021	Business Recovery Services Maximum rate per hour	Specialist maximum rate per hour
Grade	(£)	(£)
Partner	875	1,230
Director	740	1000
Senior Manager	625	890
Manager	525	675
Senior Associate	425	530
Associate	280	320
Offshore Professionals	280	N/A
Support staff	130	145

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour. In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the period of this report. Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties based on standard commercial terms.

Our work in the period since appointment

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.

Area of work	General description	Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors or whether it was required by statute
Accounting and treasury		<ul style="list-style-type: none"> Opening bank account Dealing with receipts, payments and journals not relating to trading Verifying payee bank details Carrying out bank reconciliations and managing investment of funds Corresponding with the bank regarding specific transfers Arranging bonds for the appointees Responding to case team queries Filing 	Ensures proper management of the funds held	To comply with statutory accounting obligations to safeguard funds
Assets	Other chattel assets	<ul style="list-style-type: none"> Reviewing asset listings 	Realising assets in the estate for the benefit of creditors and members	Statutory function of the liquidators
	Insurance	<ul style="list-style-type: none"> Identifying potential issues around intellectual property assets requiring attention of insurance specialists Reviewing insurance policies Corresponding with insurer regarding initial and ongoing insurance requirements Obtaining insurance clearance following the conclusion of insurance requirements 		

Creditors	Creditor enquiries	<ul style="list-style-type: none"> • Setting up a dedicated website for delivery of initial and ongoing communications and reports • 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 when not related to a dividend 	To ensure claims remain up to date and acknowledged and to assist creditors with the credit insurance matters	Statutory function of the liquidators
	Secured creditors	<ul style="list-style-type: none"> • Notifying secured creditors of appointment • Preparing reports to secured creditor • Responding to secured creditor's queries 		
	Secondary preferential creditors	<ul style="list-style-type: none"> • Receiving and recording claim from HMRC 		
	Shareholder enquiries	<ul style="list-style-type: none"> • Responding to any shareholder queries 		
Employees and pensions	Pensions	<ul style="list-style-type: none"> • Issuing statutory notices • Dealing with pensions enquiries 	To ensure appropriate communication with employees;	Statutory function of the liquidators
			To comply with statutory pension requirements	

Investigations	Conducting 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 transactions and liaising with directors regarding certain transactions Submission of our report on the conduct of the Company's directors to the Insolvency Service in accordance with the requirements of the Company Directors Disqualification Act 1986 	To recover assets for the benefit of creditors.	Statutory function of the liquidators
Strategy and planning		<ul style="list-style-type: none"> Completing tasks relating to job acceptance Preparing fee budgets & monitoring cost Holding team meetings not relating to trading and discussions regarding status of the liquidation. 	To ensure proper stewardship of the case	Statutory function of the liquidators
Statutory and compliance	Initial letters and notifications	<ul style="list-style-type: none"> Preparing and issuing all necessary initial letters and notices regarding the liquidation and our appointment Preparing and publishing the initial report to creditors 	To ensure proper stewardship of the case	Statutory function of the liquidators
	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. Administering the decision procedure and recording upon the Record of Decision 		

	Case reviews	<ul style="list-style-type: none"> Conducting case reviews after the first month, then every six months 		
	Progress reports and extensions	<ul style="list-style-type: none"> Preparing the first progress report to creditors and members 		
	Other meetings / resolutions	<ul style="list-style-type: none"> Issuing notices and associated documentation for seeking decisions of creditors 		
	Books and records	<ul style="list-style-type: none"> Collecting company books and records where not related to investigatory work Dealing with records in storage Sending job files to storage 		
	Other statutory and compliance	<ul style="list-style-type: none"> Filing of documents Updating checklists and diary management system 		
Tax and VAT	Tax	<ul style="list-style-type: none"> Gathering information for the initial review of the Company's pre-appointment tax affairs Carrying out tax review and subsequent enquiries Preparing correspondence to HMRC setting out the position of the pre-appointment tax affairs of the Company Liaising with tax colleagues regarding tax computations and returns Liaising with HMRC and corresponding with HMRC on a variety of matter to ensure tax compliance 	To ensure proper stewardship of the case	To ensure proper stewardship of the case
	VAT	<ul style="list-style-type: none"> Gathering information for the initial VAT review Carrying out VAT review and subsequent enquiries Receiving VAT refunds Preparing VAT return 		

		<ul style="list-style-type: none"> • Liaising with HMRC • De-registering for VAT • Final VAT 426 submission 		
Post Sale Matters	Sale of business	<ul style="list-style-type: none"> • Preparing an information memorandum • Liaising with purchasers and solicitors • Onsite meetings with Company staff and the Purchaser regarding the purchase of Company assets • Extensive meetings undertaken by the Liquidators with purchaser and other stakeholders to negotiate and agree a sale of the assets of the Company • Holding internal meetings to review offers received • Arranging the transfer of purchased intellectual property pursuant to a sale and purchase agreement 	Realising assets in the estate for the benefit of creditors and members	<ul style="list-style-type: none"> • Statutory function of the liquidators

Our future work to closure

We still need to do the following work in the liquidation to bring the case to a conclusion.

Area of work	General description	Work undertaken	Estimated cost £	Whether or not the work will provide a financial benefit to creditors
Accounting and treasury		<ul style="list-style-type: none">• Filing• Responding to case team queries	1,000	Ensures proper management of the funds held To comply with statutory accounting obligations
Creditors		<ul style="list-style-type: none">• Receiving and following up creditor enquiries via telephone, email and post• Reviewing and preparing correspondence to creditors and their representatives	1,500	Statutory function of the liquidators
Closure procedures		<ul style="list-style-type: none">• Final case review• Issuing the final report to creditors and members• Receiving and dealing with any objections to the liquidators' final release• Issuing statutory notices• Closing down internal systems	3,000	Statutory function of the liquidators
Statutory and compliance		<ul style="list-style-type: none">• Updating checklists and diary management system	1,500	Statutory function of the liquidators

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the liquidation where the relationship could give rise to a conflict of interest.

Details of subcontracted work

We have not engaged sub-contractors in this case in relation to any works that could have been undertaken directly by the Liquidators' staff.

Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm	Reason selected	Basis of fees and actual/estimated cost of the work
Legal Services including: <ul style="list-style-type: none">• Legal advice regarding the sale of the assets of the Company to the Purchaser• Drafting and reviewing the asset sale and purchase agreement	Addleshaw Goddard LLP	Industry knowledge / insolvency expertise.	Time costs and disbursements - all costs now paid and the total payable is displayed in the receipts and payments below.
Valuation services and activities connected to the sale of the business including: <ul style="list-style-type: none">• Valuation of assets;• Preparation of documents regarding sale of assets to ensure they were realised for maximum value;• Liaising with 3rd parties regarding the recovery of Intellectual Property.	Hilco Appraisal Limited T/as Valuation Services*	Industry knowledge / insolvency expertise.	Paid by PCL*

*Note 1 - the work undertaken by Hilco Appraisal Limited was across both PCL and PCVL, due to the split of assets and realisations these were met by PCL and as such no costs were paid by PCVL to Hilco Appraisal Limited.

Appendix D: Other information

Company's registered name:	Penso City Vehicles Limited
Trading name:	Penso City Vehicles Limited
Registered number:	05287284
Registered address:	The company had its registered office address as: 2 Woodhams Road Coventry West Midlands CV3 4FX The company currently has its registered office address as: 8th Floor Central Square 29 Wellington Street Leeds LS1 4DL
Date of the Liquidators' appointment:	4th June 2021
Liquidators' names, addresses and contact details:	Edward Williams: One Chamberlain Square, Birmingham, United Kingdom, B3 3AX David Matthew Hammond*: One Chamberlain Square, Birmingham, United Kingdom, B3 3AX Contact details as below: uk_penso_creditors@pwc.com

* Described within the report as Matthew Hammond