

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 0 3 3 3 1 8 8

Company name in full Clugston Group Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) James Richard

Surname Clark

3 Liquidator's address

Building name/number 4th Floor, Tailors Corner

Street Thirsk Row

Post town Leeds

County/Region

Postcode L S 1 4 D P

Country

4 Liquidator's name ①

Full forename(s) Howard

Surname Smith

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 4th Floor, Tailors Corner

Street Thirsk Row

Post town Leeds

County/Region

Postcode L S 1 4 D P

Country

② Other liquidator


Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	3	^d	0	^m	1	^m	1	^y	2	^y	0	^y	2	^y	2
To date	^d	2	^d	9	^m	1	^m	1	^y	2	^y	0	^y	2	^y	3

7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												

8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	2	^d	5	^m	0	^m	1	^y	2	^y	0	^y	2	^y	4

**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 **Henry Jackson**

Company name **Interpath Ltd**

Address **5th Floor, 130 St Vincent Street
Glasgow**

Post town **G2 5HF**

County/Region

Postcode

Country

DX

Telephone **Tel +44 (0) 113 521 7510**

**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

Joint
Liquidators'
progress report
for the period
30 November
2022 to 29
November 2023

Clugston Group Limited - in Liquidation

25 January 2024

Deemed delivered: 25 January 2024

Notice to creditors

Please note that the contact details for your primary case contacts may have changed, please check the insolvency portal at www.ia-insolv.com/case+INTERPATH+CLB30D1825.html for the latest contact details.

This report provides an update on the liquidation of the Company.

We have included (Appendix 2) an account of all amounts received and payments made during the period 30 November 2022 to 29 November 2023, including the cumulative receipts and payments since the date of our appointment.

We have also explained our future strategy for the liquidation and how likely it is that we will be able to pay each class of creditor.

You will find other important information in this report such as the costs which we have incurred to date.

A glossary of the abbreviations used throughout this document is attached (Appendix 5).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, www.ia-insolv.com/case+INTERPATH+CLB30D1825.html and <https://www.ia-insolv.com/case+INTERPATH+CJC05C2441.html> (for the previous administration). We hope this is helpful to you.

Please also note that an important legal notice about this report is attached (Appendix 6).

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1 Executive summary

This progress report covers the period from 30 November 2022 to 29 November 2023 ("the Period").

We have continued to focus on the realisation of assets which are held within wholly owned subsidiary companies. There will be future distributions to the Company from both of these subsidiary companies, being Clugston PF Limited ("CPFL") and Clugston Reclamation Limited ("CRL") but the timings of these distributions are presently uncertain (Section 2 - Progress to date).

We are not aware of any secured claims against the Company (Section 3 - Dividend prospects and dividends paid).

Preferential creditors have been repaid in full in a previous period (Section 3 - Dividend prospects and dividends paid).

Unsecured creditors have been agreed and a second dividend to unsecured creditors of 8.34p was paid in the Period, resulting in dividends of 23.34p having been paid in the liquidation to date. We anticipate that unsecured creditors should receive a further dividend, but the timing and amount are dependent upon future realisations and associated costs of the liquidation. (Section 3 - Dividend prospects and dividends paid).

Please note: you should read this report in conjunction with any previous reports issued to the Company's creditors; these can be found at www.ia-insolv.com/case+INTERPATH+CLB30D1825.html and <https://www.ia-insolv.com/case+INTERPATH+CJC05C2441.html>.

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



James Clark
Joint Liquidator

2 Progress to date

We were appointed Joint Liquidators of the Company on 30 November 2021, following a previous administration appointment. The Company had been placed into administration on 6 December 2019.

This report covers the period from 30 November 2022 to 29 November 2023. However, please refer to previous reports where information has previously been disclosed.

This section updates you on our strategy for the liquidation and on our progress to date. It follows the information provided in our previous reports.

2.1 Strategy and progress to date

During the Period, our strategy has focused on continuing to realise the Company's remaining assets which are held within wholly owned subsidiary companies and distributing to the Company's creditors as funds have become available.

Progress on the assets held within the two subsidiary companies is summarised below:

CPFL

CPFL is a wholly owned subsidiary of the Company which is in Members Voluntary Liquidation ("MVL"). CPFL owned an interest in a PFI SPV which was sold in the previous administration. CPFL distributed £4.28 million to the Company during the prior period.

The Company continues to hold these funds subject to an indemnity agreement whereby if costs arise in the MVL of CPFL, the Company must return sufficient funds to cover these costs. In the Period, the liquidator of CPFL has advised that corporation tax clearance from HMRC has been obtained, the potential tax liability owed by CPFL to HMRC has been quantified at nil and professional fees have already been agreed and paid. On this basis, the liquidator of CPFL confirmed that there was no reason why the majority of the funds in the Company that related to CPFL could not be distributed to creditors, with sufficient being retained to meet any future costs in the MVL.

There remains a debtor balance due to CPFL and over the Period we have been assessing the options available in relation to this debtor in conjunction with the liquidator of CPFL, which may include assignment or sale of the debt. This is the final matter in CPFL that needs to be resolved prior to closure of the MVL.

The remaining balance of funds held in respect of CPFL will be distributed once the remaining debtor has been realised, all statutory matters in the MVL of CPFL are complete and CPFL is dissolved. The timing of any future distribution is uncertain at present and we continue to liaise with the liquidator of CPFL.

CRL

CRL is another wholly owned subsidiary of the Company, which owned two plots of land. One of these has now been sold and the funds of £226,140 have been received. These funds are being held by the Company on trust for CRL.

The second plot of land is subject to an Option agreement with a potential developer. The timing and value of any sale are still unknown as the developer has requested an amendment to the value of the Option. In the Period, we instructed our agents to obtain a detailed report on the development appraisal submitted by the potential developer and as a result of this report we are in ongoing discussions with the potential developer regarding the appropriate value for the Option. Full planning permission for the development has not yet been received from the relevant local council.

We had previously agreed to extend the Option until 30 June 2023 but this has been extended as we remain in active dialogue with the potential developer at this time. Under the terms of the Option, 50% of the proceeds will be received when the Option is exercised and the remainder payable 12 months later.

At present it is therefore difficult to estimate the level of realisations.

Once CRL has received all funds, it will formally distribute to the Company and enter MVL. As outlined above for CPFL, we expect the distribution to be made prior to the MVL of CRL (for tax purposes) with the funds held by the Company subject to an indemnity agreement, until the MVL process is complete.

Distribution to unsecured creditors

In the Period we have paid a second dividend to unsecured creditors of 8.34p in the £. This has resulted in dividends of 23.34p having been paid in the liquidation to date. We anticipate that unsecured creditors should receive a further dividend, but the timing and amount are dependent upon future realisations and associated costs of the liquidation.

We have also continued to investigate the affairs of the Company and complied with our statutory duties as liquidators.

2.2 Asset realisations

Realisations during the Period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the Period are provided below.

Bank interest

We have received £33,148 in credit bank interest.

VAT refunds from Group companies

The Company is in a VAT group with CCL. CCL paid the Company £28,089 in the Period, as a part of a VAT group refund from HMRC.

VAT repayment supplement

In addition to the VAT refund above, the Company received £754 from HMRC as a VAT supplement for late payment of a reclaim.

Investigations

We continue to review the affairs of the Company to find out if there are any actions which can be taken against third parties to increase recoveries for creditors.

2.3 Costs

Payments made in the Period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the Period are provided below.

Clugston reclamation costs

Costs specifically associated with CRL of £28,015 were paid in the Period. These can be broken down as follows:

£13,051 was paid to Eversheds for legal services and disbursements (including Companies House fees) in connection with the application to restore CRL to the register at Companies House. This was needed after CRL was struck off the register due to non-filing of statutory accounts which has since been rectified;

£8,000 was paid to Sanderson Weatherall for their ongoing advice in relation to the option at the development land;

£4,794 was paid to Freeths for legal services in relation to the option at the development land;

£750 was paid to Jennions & Co for their report on the development appraisal submitted by the potential developer;

£1,120 was paid to Marsh for insurance of the site under option; and

£300 was paid to Kaleden for preparation and lodging of the financial accounts for CRL and other forms following the restoration of CRL to Companies House.

2.4 Schedule of expenses

We have detailed the costs incurred during the Period, whether paid or unpaid, in the schedule of expenses attached (Appendix 3).

3 Dividend prospects and dividends paid

3.1 Secured creditor

We are not aware of any secured claims against the Company.

NatWest held the benefit of fixed and floating charges over the Company by way of a debenture. As reported in our previous report, NatWest has confirmed that it has recovered its indebtedness in full.

3.2 Preferential creditors

Claims from employees in respect of (1) arrears of wages up to a maximum of £800 per employee, (2) unlimited accrued holiday pay and (3) certain pension benefits, rank preferentially.

The preferential creditors have been repaid in full.

3.3 Unsecured creditors

The unsecured claims have been agreed at £65,744,792.

A second dividend to unsecured creditors of 8.34p in the £ was declared on 22 August 2023 and paid during the Period.

The total amount distributed to unsecured creditors during the Period was £5,500,000.

Based on current estimates, we anticipate that unsecured creditors should receive a further dividend. The timing and amount of any distribution are dependent upon the realisations and associated costs of the liquidation.

4 Joint Liquidators' remuneration and expenses

4.1 Joint Liquidators' remuneration and expenses

The creditors have provided approval that:

our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate and revised fees estimates, if applicable, provided in our initial letter to creditors following our appointment dated 30 November 2021 and Interpath's usual charge-out rates for work of this nature.

category 2 expenses (as defined in Statement of Insolvency Practice 9) will be charged and drawn in accordance with Interpath Advisory's policy as set out in Appendix 4.

Time costs

During the Period from 30 November 2022 to 29 November 2023, we have incurred time costs of £81,130. These represent 188 hours at an average rate of £432 per hour.

Our total time costs for the liquidation to date are £251,591 and we have therefore exceeded the fees estimate provided in our initial letter to creditors, being £207,571. This is because of the following reasons:

We have incurred more time than anticipated in relation to the two subsidiaries being CPFL and CRL. This work which is in relation to realising the Company's assets within the Group will provide a financial benefit to creditors.

We have spent more time than initially anticipated on statutory and compliance matters, namely complying with our statutory duties, cashiering, and preparing strategy notes and file reviews. We expect that further costs will be incurred in this area as we amalgamate the Company's books and records and execute the statutory requirements of the liquidation and its future closure.

Our tax team have incurred more costs than initially anticipated. Since the start of the liquidation they have liaised extensively with HMRC regarding the Company's corporation tax position and in the Period have obtained confirmation from HMRC that the liquidation can be closed. As such we do not anticipate significant future costs in this area. However, we continue to submit quarterly VAT returns to HMRC and will ultimately seek VAT deregistration.

We have incurred more time costs than initially expected in relation to creditors, namely in agreeing unsecured claims, making the interim distributions and dealing with creditor correspondence. We expect further costs to be incurred as we look to make future distributions and also in reporting to creditors annually in line with our statutory duties.

Please note that, despite these increases in time costs, at this time we do not intend to

seek approval for fees above the level for which the Company's creditors have given their approval. We reserve the right to seek additional fee approval from the Company's creditors as the liquidation progresses.

Remuneration

During the Period, we have drawn floating charge remuneration of £52,180, in line with approval obtained from the Company's creditors.

Liquidators' Expenses

These are any payments which are neither liquidators' remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the liquidators, and then reimbursed to the liquidators from the estate.

During the Period, we have incurred expenses of £3,077, none of which have been recovered via the liquidation.

Additional information

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by Interpath for the period from 30 November 2022 to 29 November 2023. We have also attached our charging and expenses policy.

5 Future strategy

5.1 Future conduct of the liquidation

The following matters are still ongoing in the liquidation:

- Realising remaining assets held in subsidiary companies;
- Receiving shareholder distributions from the MVLs of both CPFL and CRL;
- Deregistering the Company from VAT;
- Paying a third and final dividend to unsecured creditors as funds allow;
- Settling all remaining costs of the liquidation; and
- Complying with ongoing statutory and reporting obligations.

5.2 Future reporting

We will report again on the progress of this liquidation by 29 January 2025 or in the final report if matters have been concluded earlier.

Appendix 1 Statutory information

Company information

Company name	Clugston Group Limited
Previous company names if applicable	N/A
Date of incorporation	1 November 1937
Company registration number	00333188
Previous registered office	St. Vincent House, Normanby Road, Scunthorpe, North Lincolnshire, DN15 8QT
Present registered office	c/o Interpath Ltd, 4th Floor, Tailors Corner, Thirsk Row, Leeds, LS1 4DP
Trading address	N/A
Nature of business	Activities of head offices

Liquidation information

Appointed by	Creditors pursuant to Paragraph 83 of Schedule B1 of the Act
Date of appointment	30 November 2021
Joint Liquidators' details	James Clark and Howard Smith
Joint Liquidators' address	4th Floor, Tailors Corner, Thirsk Row, Leeds, LS1 4DP
Functions	The functions of the Joint Liquidators are being exercised by them individually or together in accordance with Section 231(2) of the Insolvency Act 1986
EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC regulations.

Appendix 2

Joint Liquidators' receipts and payment account

Clugston Group Limited - in Liquidation			
Abstract of receipts & payments			
Statement of affairs (£)		From 30/11/2022 To 29/11/2023 (£)	From 30/11/2021 To 29/11/2023 (£)
ASSET REALISATIONS			
12,056,357.32	Surplus transferred from administration	NIL	12,056,357.32
	Clugston PF Realisations	NIL	4,281,905.14
	VAT refunds re group companies	28,089.21	28,089.21
	Clugston Reclamation Realisations	NIL	226,140.29
		28,089.21	16,592,491.96
OTHER REALISATIONS			
	Bank interest, gross	33,147.72	34,901.44
196,211.14	VAT received relating to administration	NIL	187,410.42
	Sundry refunds	0.10	7.28
	VAT repayment supplement	754.09	754.09
		33,901.91	223,073.23
COST OF REALISATIONS			
	Liquidator's fees	(52,180.00)	(127,180.00)
	ERA Outsourcing agency	NIL	(254.60)
	Agents'/Valuers' fees re CRL	NIL	(9,520.00)
	Legal fees	NIL	(10,275.00)
	Clugston Reclamation Costs	(28,014.50)	(37,358.18)
	Vehicle lease hire	NIL	(14,699.02)
	Miscellaneous costs	NIL	(40.00)
	Consultancy fees	NIL	(3,210.00)
	Statutory advertising	NIL	(169.00)
	Insurance of assets	NIL	(517.05)
	Bank charges	(15.00)	(45.00)
		(80,209.50)	(203,267.85)
PREFERENTIAL CREDITORS			
(7,393.00)	Employees' wage arrears	NIL	(17,216.92)
	Redundancy Payments Service	NIL	(5,339.49)
		NIL	(22,556.41)
UNSECURED CREDITORS			
(64,672,000.00)	Trade & expense	(478,333.84)	(1,342,786.78)
(264,000.00)	Employees	(43,839.91)	(123,732.68)

Clugston Group Limited - in Liquidation**Abstract of receipts & payments**

Statement of affairs (£)	From 30/11/2022 To 29/11/2023 (£)	From 30/11/2021 To 29/11/2023 (£)
EP(C)A bal. & redundancy	(22,283.65)	(62,724.77)
Pension scheme	(4,594,951.04)	(12,985,079.88)
HMRC - PAYE/VAT	(363,817.23)	(990,886.59)
	(5,503,225.67)	(15,505,210.70)
(52,690,824.54)	(5,521,444.05)	1,084,530.23
REPRESENTED BY		
VAT receivable		39,729.97
Current account		862,432.15
Current Account 2		220,136.08
Floating ch. VAT control		(37,767.97)
		1,084,530.23

Appendix 3 Schedule of expenses

Cost of realisations

Clugston Reclamation Costs	28,014.50	0.00	28,014.50
Bank charges	15.00	0.00	15.00
TOTAL	28,029.50	0.00	28,029.50

Please note that there is a difference between the payments made during the Period of £80,210 (per the receipts and payments account) and the expenses incurred and paid in the Period of £28,030 (per the schedule of expenses). This is due to the fact that some payments made during the Period relate to expenses incurred in a prior period.

Requests for further information and right to challenge our remuneration and expenses

Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this report, you must do so in writing within 21 days of receiving this report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this report, you must do so by making an application to Court within eight weeks of receiving this report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant Rules can be provided on request by writing to Henry Jackson at Henry.Jackson@Interpathadvisory.com.

Appendix 4 Joint Liquidators' charging and expenses policy

Joint Liquidators' charging policy

The time charged to the liquidation is by reference to the time properly given by us and our staff in attending to matters arising in the liquidation. This includes work undertaken in respect of in-house Interpath Advisory tax, VAT, employee specialists.

Our policy is to delegate tasks in the liquidation to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Liquidators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/>

If you are unable to access this guide and would like a copy, please contact Henry Jackson at Henry.Jackson@Interpathadvisory.com.

Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this liquidation. Time is charged by reference to actual work carried out on the liquidation.

All staff who have worked on the liquidation, including cashiers and secretarial staff, have charged time directly to the liquidation and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the liquidation but is reflected in the general level of charge-out rates.

Managing Director	725	780
Director	675	725
Associate Director	590	635
Manager	495	530
Senior Associate	345	370
Associate	245	265
Support	155	165

The charge-out rates used by us might periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidation. In our next statutory report, we will inform creditors of any material amendments to these rates.

Policy for the recovery of expenses

Where funds permit the officeholders will seek to recover both Category 1 and Category 2 expenses from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Expenses: These are any payments which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also includes disbursements which are payments first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 expenses: These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 expenses: These are payments to associates or which have an element of shared costs. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Associates: are defined in the insolvency legislation but also extends to parties where a reasonable and informed third party might consider there would be an association between the third party and the office holder or their firm.

Category 2 expenses charged by Interpath Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

Use of privately-owned vehicle or car cash alternative – 45p per mile.

Use of company car – 60p per mile.

Use of Managing Director's car – 60p per mile.

For all of the above car types, when carrying Interpath Advisory passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following expenses (excluding VAT) during the period 30 November 2022 to 29 November 2023.

Postage	3,001.80	NIL	3,001.80
Professional and legal fees	74.79	NIL	74.79
Total	3,076.59	NIL	3,076.59

We have the authority to pay Category 1 expenses without the need for any prior approval from the creditors of the Company.

Category 2 expenses have been approved in the same manner as our remuneration.

Narrative of work carried out for the period 30 November 2022 to 29 November 2023.

The key areas of work have been:

Statutory and compliance	collating information to enable us to carry out our statutory duties, including creditor information and details of assets; posting information on a dedicated web page; preparing statutory receipts and payments accounts; complying with statutory requirements; ensuring compliance with all statutory obligations within the relevant timescales.
Strategy documents, Checklist and reviews	monitoring and reviewing the liquidation strategy briefing of our staff on the liquidation strategy and matters in relation to various work-streams; reviewing and authorising junior staff correspondence and other work; reviewing matters affecting the outcome of the liquidation; allocating and managing staff/case resourcing and budgeting exercises and reviews; liaising with legal advisors regarding various instructions complying with internal filing and information recording practices, including documenting strategy decisions.
Cashiering	preparing and processing vouchers for the payment of post-appointment invoices; creating remittances and sending payments to settle post-appointment invoices; reconciling post-appointment bank accounts to internal systems; ensuring compliance with appropriate risk management procedures in respect of receipts and payments.
Tax	analysing VAT related transactions; submitting group VAT returns (with CCL); liaising with HMRC regarding the Company's corporation tax matters; obtaining confirmation from HMRC that they have no objection to the liquidation being closed; dealing with post appointment tax compliance.
General	reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9; drawing remuneration in accordance with the basis which has been approved by creditors; dealing with the ongoing storage of books and records
Asset realisations	collating information from the Company's records regarding the assets; liaising extensively with agents, lawyers, solicitors and the potential developer regarding the Option on the remaining plot of land in CRL; liaising with the liquidator of CPFL regarding the funds that need to be retained in that entity, and the options for recovery of the outstanding debtor; seeking legal advice.
Property matters	reviewing matters in relation to the Option.
Open cover insurance	arranging ongoing insurance cover for the Company's business and assets; liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place; assessing the level of insurance premiums.
Creditors and claims	updating the list of unsecured creditors; responding to enquiries from creditors regarding the liquidation and submission of their claims; reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records; agreeing additional unsecured claims; arranging the second distribution to the unsecured creditors; providing regular updates to the PPF on the progress of the liquidation in their capacity as the majority unsecured creditor; drafting our report.

Time costs

SIP 9 –Time costs analysis (30/11/2022 to 29/11/2023)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & planning			
Cashiering			
General (Cashiering)	20.05	6,602.25	329.29
Reconciliations (& IPS accounting reviews)	3.00	1,379.50	459.83
General			
Books and records	1.20	436.50	363.75
Fees and WIP	3.60	1,892.00	525.56
Statutory and compliance			
Budgets & Estimated outcome statements	4.50	2,304.00	512.00
Checklist & reviews	4.70	2,115.00	450.00
Reports to debenture holders	1.10	649.00	590.00
Statutory receipts and payments accounts	0.70	241.50	345.00
Strategy documents	16.50	7,253.50	439.61
Tax			
Post appointment corporation tax	1.35	509.25	377.22
Post appointment VAT	33.65	11,806.00	350.85
Creditors			
Creditors and claims			
Agreement of preferential claims	0.20	99.00	495.00
Agreement of unsecured claims	3.80	2,106.00	554.21
General correspondence	4.50	1,641.00	364.67
Payment of dividends	25.80	11,387.50	441.38
Statutory reports	24.60	8,949.00	363.78
Employees			
Employee Correspondence	0.10	49.50	495.00
RPO redundancy payments service	0.10	53.00	530.00
Investigation			
Directors			
Correspondence with directors	0.40	106.00	265.00
Directors' questionnaire / checklist	0.30	79.50	265.00
Realisation of assets			
Asset Realisation			
Cash and investments	35.10	20,110.50	572.95
Freehold property	0.80	349.00	436.25

SIP 9 –Time costs analysis (30/11/2022 to 29/11/2023)

	Hours	Time Cost (£)	Average Hourly Rate (£)
Insurance	0.50	122.50	245.00
Other assets	1.40	889.00	635.00
Total in period	187.95	81,130.00	431.66
<hr/>			
Brought forward time (appointment date to SIP 9 period start date)	386.45	170,460.80	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	187.95	81,130.00	
Carry forward time (appointment date to SIP 9 period end date)	574.40	251,590.80	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

Appendix 5 Glossary

CCL	Clugston Construction Limited – in Liquidation
Court	High Court of Justice, Business and Property Court in Leeds, Insolvency and Companies List (ChD)
Company	Clugston Group Limited - in Liquidation
CPFL	Clugston PF Limited
CRL	Clugston Reclamation Limited
CVL	Creditors' Voluntary Liquidation
Eversheds	Eversheds Sunderland LLP
Freeths	Freeths LLP
Group	The Company together with; Clugston Construction Limited Clugston Services Limited Clugston Distribution Services Limited Clugston Estates Limited
Jennions & Co	Jennions & Co Limited
Joint Liquidators/we/our/us	James Clark and Howard Smith
Kaleden	Kaleden Limited

Interpath/Interpath Advisory	Interpath Ltd
Marsh	Marsh Limited
MVL	Members' Voluntary Liquidation
NatWest	National Westminster Bank PLC
Period	30 November 2022 to 29 November 2023
PFI SPV	Private Finance Initiative Special Purpose Vehicle
Sanderson Weatherall	Sanderson Weatherall LLP

Any references in this report to Sections, Paragraphs and Rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, and the Insolvency (England and Wales) Rules 2016 respectively.

Appendix 6 Notice: About this report

This progress report has been prepared by James Clark and Howard Smith, the Joint Liquidators of Clugston Group Limited (the 'Company'), solely to comply with their statutory duty under the Insolvency Rules (England and Wales) 2016 to provide members and creditors with an update on the progress of the liquidation of the estate, and for no other purpose.

This report is not suitable to be relied upon by any other person, or for any other purpose or in any other context including any decision in relation to the debt of or any financial interest in the Company or any other company in the Group. Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at their own risk. Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for individual creditors.

James Richard Clark and Howard Smith are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

We are bound by the Insolvency Code of Ethics.

The Officeholders may be Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – www.interpathadvisory.com/privacy-insolvency.

The appointments of the Joint Liquidators are personal to them and, to the fullest extent permitted by law, Interpath Ltd does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the liquidation.

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