

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

0067 8152

Name of Company

E Bowman and Sons Limited

X/ We

David Adam Broadbent, 17/25 Scarborough Street, Hartlepool, TS24 7DA

Christopher John Stirland, Castle Acres, Everard Way, Narborough, Leicester, LE19 1BY

the liquidator(s) of the company attach a copy of ~~my~~ our Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 14/02/2014 to 13/02/2015

Signed



Date

10 / 04 / 15

Begbies Traynor (Central) LLP
11 Clifton Moor Business Village
James Nicolson Link
Clifton Moor
York
Y030 4XG

Ref 83E011/DAB/MR/SXA/LXT

FRIDAY



A25

A45HQ241

17/04/2015

#47

COMPANIES HOUSE

E Bowman and Sons Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 14/02/2014 To 13/02/2015	From 14/02/2013 To 13/02/2015
ASSET REALISATIONS		
Funds transferred from Administration	NIL	36,020 95
Book Debts	7,247 04	52,038 41
Retentions	NIL	7,231 80
Bank Interest Gross	22 62	27 05
	<u>7,269 66</u>	<u>95,318 21</u>
COST OF REALISATIONS		
Administrators Fees & Expenses	NIL	7,036 00
Administration Expenses	NIL	2,510 66
Joint Liquidators Fees	8,000 00	8,000 00
Joint Liquidators Disbursements	1,225 83	1,292 83
Legal Fees	4,045 00	22,045 00
Pension Advisor Fees	613 29	613 29
Debt Collection Fees	1,087 05	10,565 17
	<u>(14,971 17)</u>	<u>(52,062 95)</u>
	<u>(7,701.51)</u>	<u>43,255.26</u>
REPRESENTED BY		
Vat Receivable		715 75
Bank 1 Current		43,988 92
Vat Payable		(1,449 41)
		<u>43,255 26</u>



David Adam Broadbent
Joint Liquidator

JOINT LIQUIDATORS' SECOND ANNUAL REPORT
FOR THE MEMBERS AND CREDITORS OF
E BOWMAN AND SONS LIMITED

*Broadbents Business Recovery Services Limited
York Eco Business Centre
Amy Johnson Way
Clifton Moor
York
YO30 4AG*

Tel No – (01904) 691 553

Email – ian.gostellow@broadbentsbrs.com

SECOND ANNUAL REPORT FOR THE MEMBERS AND CREDITORS OF E BOWMAN AND SONS LIMITED

- 1 Introduction
- 2 Statutory Information
- 3 Asset Realisations
- 4 Payments
- 5 Prescribed Part
- 6 Investigations
- 7 Creditor Claims / Dividend Prospects
- 8 Conclusion

Appendices

- Joint Liquidator's account of receipts and payments,
- Joint Liquidator's time costs and disbursements
- Statement of Joint Liquidator's expenses

1. INTRODUCTION

Administration

On 24 February 2012, David Adam Broadbent (of Evolution Business Recovery Services Limited) and Christopher John Stirland (of FRP Advisory LLP) were appointed as Joint Administrators of E Bowman and Sons Limited

A Form 2 34B was registered at Companies House (on 14 February 2013) converting the Administration into a Creditors Voluntary Liquidation

Unfortunately, the document was incorrectly completed showing Nathan Jones (of FRP Advisory LLP) as the Joint Liquidator of the company – solicitors were therefore instructed (by FRP Advisory LLP) to rectify the error (at their cost)

A Court Order was subsequently granted on 15 July 2013 to rectify the error

Purchase of Business

It should be noted that on the 31 March 2015, the business and assets of Broadbents Business Recovery Services Limited (formerly Evolution Business Recovery Services Limited) were purchased by Begbies Traynor

2. STATUTORY INFORMATION

<i>Company Name</i>	E Bowman and Sons Limited	
<i>Company Number</i>	0067 8152	
<i>Trading Name</i>	Bowmans of Stamford	
<i>Former Names</i>	N/A	
<i>Date of Incorporation</i>	16 December 1960	
<i>Nature of Business</i>	Contractor to the construction sector	
<i>Authorised Share Capital</i>	100,000 Ordinary Shares of £1	
<i>Issued and fully paid</i>	100,000 Ordinary Shares of £1	
<i>Shareholders</i>	P H Loft Settlement B Orton David John Espin Paul Anthony Gibbons Trevor Roy Jackson Peter Hamilton Loft Katheryn Charlotte Humphrey Amanda Jane Weller	(30,000 Ordinary Shares of £1) (14,669 Ordinary Shares of £1) (12,637 Ordinary Share of £1) (10,000 Ordinary Share of £1) (9,768 Ordinary Share of £1) (9,020 Ordinary Share of £1) (6,953 Ordinary Share of £1) (6,953 Ordinary Share of £1)
<i>Director</i>	James Harrison Deacon	(from 10 Oct 2011 to present)
<i>Former Directors</i>	Steven Peter Ankin David John Espin Paul Anthony Gibbons Katherine Charlotte Humphrey Trevor Roy Jackson Krzysztof Jaroslaw Kosmaczewski Peter Hamilton Loft Stephen Robert John Mellows Graham James Scotney Amanda Jane Weller	(from 7 Feb 2008 to 1 Feb 2008) (pre 11 Oct 1991 to 31 Mar 2011) (from 1 Jan 1996 to 1 Apr 2011) (from 1 Dec 2010 to 19 Aug 2011) (from 18 Aug 1999 to 21 May 2010) (from 7 Feb 2008 to 31 Dec 2010) (pre 11 Oct 1991 to 19 Jan 2012) (from 20 Dec 2010 to 5 Apr 2011) (from 12 Oct 2006 to 21 Sep 2011) (from 1 Dec 2010 to 19 Aug 2011)
<i>Company Secretary</i>	N/A	
<i>Former Company Secretary</i>	Graham James Scotney	(from 15 May 2003 to 10 Oct 2010)
<i>Registered Office</i>	c/o FRP Advisory LLP, Castle Acres, Everard Way, Narborough, Leicester, LE19 1BY	
<i>Trading Addresses</i>	1 st Floor, Cherryholt House, Cherryholt Road, Stamford, PE9 2EP	
<i>Debenture</i>	HSBC Bank PLC (Created on 26 October 2002 / Registered on 29 October 2002)	

3. ASSET REALISATIONS

Funds Transferred from Administration

As outlined in our previous Annual Report, the sum of £36,021 has been received from the previous Administration case

Book Debts / Retentions

As outlined in our Final Administrators' Report, the total sum of around £1 million was owed to the company (by its customers) in respect of incomplete / on-going contracts (£414,093) and completed contracts (£638,597)

Quantity Surveyors (Naismiths of Birmingham) have provided assistance with the collection of same

Since our last Annual Report, the agents have recovered a further amount in respect of book debts totalling £7,247 (a total recovery of £52,038) but no further retentions (to add to their previous total of £7,232)

The agents are continuing to recover the outstanding amounts, but are uncertain as to whether there will be any additional realisations made

Deferred Consideration (Overage Claim)

In August 2010, the company sold a freehold property for the sum of £3.2 million – as part of the sale, there was an overage agreement made with the purchaser

Our solicitors have made enquiries with the purchasing company, who have confirmed that the total sales of properties (on the site) were substantially lower than the overage minimum requirement

No realisation is therefore anticipated in this respect

Bank Interest (Gross)

Bank interest in the sum of £27 has accrued on funds invested over the duration of the case

4. PAYMENTS

Joint Administrators Fees & Expenses

At the date of conversion from Administration to Liquidation, there were outstanding fees owing to the Joint Administrators in the sum of £7,036 and unrecovered expenses in the sum of £2,510

These costs have now been paid in full

Joint Liquidators Remuneration

At the Meeting of Creditors held on 30 April 2012, the Joint Liquidators' remuneration was agreed on a time cost basis – a copy of the original charge-out rates is appended to this report

As required by Statement of Insolvency Practice 9 ("SIP 9"), we attach schedules detailing both firms' costs incurred on this case to date -

	<i>Hours</i>	<i>Hourly Charge out Rate</i>	<i>Total Costs</i>	<i>Drawn</i>
		<i>£</i>	<i>£</i>	<i>£</i>
Broadbents Business Recovery	108.7	117.71	12,795.00	5,000.00
FRP Advisory LLP	44.0	177.85	7,825.50	3,000.00

Pursuant to Rule 4 49E of the Insolvency Rules 1986 (as amended), within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the Court) may request in writing that the I provide further information about my remuneration or expenses which have been detailed in this progress report

Pursuant to Rule 4 131 of the Insolvency Rules 1986 (as amended), any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within eight weeks of receipt of this report, make an Application to Court on the grounds that the remuneration charged or the expenses incurred as set out in this report are excessive or that the basis fixed for our remuneration is inappropriate

Category One Disbursements

As outlined on the attached schedule, SIP 9 defines "Category One Disbursements" as being expenses directly attributable to the insolvent estate, paid to an independent third party, which are recoverable from the insolvent estate (without further creditor approval)

The following disbursements have been incurred and paid from the case -

	£
Bordereau	10 00
Statutory Advertising	67 00
Travel & Parking Costs	15 35
Postage Costs	478 15
Storage Costs	<u>722 33</u>
	<u>£ 1,292.83</u>

Other Professionals

Bond Dickinson (Legal Fees)

Legal advice had previously been provided to the Joint Administrators, under which the solicitors were still owed the sum of £18,000 at date of conversion to Creditors Voluntary Liquidation

These costs have been subsequently paid in full (from the liquidation estate)

The solicitors have also provided advice on the potential recovery in respect of the overage claim, and on potential antecedent transactions (as detailed later)

Their costs to date (during our office as Liquidators) total £7,000 plus VAT, of which £4,000 has been paid to date (together with a small disbursement of £45)

Naismiths (Debt Collection Fees)

Quantity Surveyors have assisted with the collection of book debts, on-going contracts and retentions

They have undertaken work on a percentage of recoveries made, and (to date) have been paid the sum of £10,565 plus VAT

Insol Financial Solutions Limited (Pension Advisor Fees)

Pension Advisors have been instructed to conclude / transfer a company pension policy

Their costs in this matter total £613 plus VAT, which have been paid in full

Pursuant to R4 49C(5) and R4 49B(1)(f) a statement of the expenses incurred during the period of this progress report is shown at Appendix 3

5. PRESCRIBED PART

Section 176A of the Insolvency Act 1986 relates to companies in Liquidation, where the business has created a Floating Charge after 15 September 2003

As outlined above, a Debenture in favour of the HSBC Bank PLC was created on 26 October 2002

No additional Floating Charges have been created after 15 September 2003, and this section does not therefore apply in this instance

6 INVESTIGATIONS

A final return has been submitted on the directors' conduct and actions prior to my appointment as Joint Liquidators

We are, however, precluded from divulging the contents of the report to creditors, as it is a confidential document between an office-holder and the Department for Business, Innovation and Skills

There are a number of potential issues that had been highlighted (as a result of our investigations) and brought to our attention (by creditors) both of which warrant further investigation – ongoing legal advice is being taken regarding same

7. CREDITORS

Preferential Creditors

As outlined in our Final Joint Administrators' Report, the directors estimated that the company had preferential creditors totalling £82,619 in respect of employee claims for unpaid wages and holiday pay

To date, we have received a claim from the Redundancy Payments Office (in respect of payments made to former staff members) in the sum of £67,616 – additional claims have also been received from a number of employees in the total sum of £10,166

We are in the process of agreeing preferential claims with a view to issuing a first and final dividend – the quantum and timing of same will wholly depend on the further recoveries made (and the associated costs of same)

Secured Creditors

As outlined earlier, the company had one secured creditor (HSBC Bank PLC) who held security via a Debenture

The directors did not, however, consider that the bank had a claim in the liquidation (given the credit balance held in the account)

To date, I have not received a claim from any secured creditor

Non-Preferential Creditors

As outlined in our last Joint Administrators' Report, the company had unsecured creditors totalling around £4 million

Since the date of our appointment, we have received a number of claims from unsecured creditors, as outlined below (shown against the directors' original estimates) -

	<i>Estimate</i> £	<i>Claim</i> £
H M Revenue & Customs (PAYE/NIC)	538,413	1,045,816
H M Revenue & Customs (VAT)	107,670	227,914
Employees / Redundancy Payments Office	588,407	606,734
Bowman (Cambs) Limited *	422,699	428,784
Insurance Bond (additional claim) (x1)	-	121,062
Trade (no claim received) (x206) *	1,224,161	N/A
Trade (additional claims received) (x15)	-	68,584
Trade (claims received) (x117)	<u>1,105,618</u>	<u>1,513,721</u>
<i>*A claim has yet to be received from these creditors</i>	<u>£3,986,968</u>	<u>£3,560,240</u>

In the majority of instances the claims received are in line with (or not materially higher than) the directors' estimates

A number of trade creditor claims have, however, been received that are materially higher than the directors' original estimates –

- one claim relates to outstanding retentions that the directors had not included on their purchase ledger,
- five claims relate to final applications that the directors were not aware at the time of the administration,
- twenty-three claims relate to invoices not received by the directors (at cessation of trading), and
- two claims relate to the remaining duration of rental agreements for a photocopier and computer equipment

Given that the above differences relate to aspects which the directors were unaware of (at the date of Administration) no action is therefore required

We have also received fifteen additional creditor claims, which were not included in the directors' original listings – the majority relate to invoices not received by the company (at the date of Administration) and one claim is from the landlord for the unexpired portion of the lease (until a new tenant was acquired) – no further action is therefore required

We have also received an additional insurance claim that relates to a bond guarantee for unfinished work, which became liable when the company was placed into Administration – the directors were unaware of this potential claim (at the date of the Administration) and no further action is therefore required

H M Revenue & Customs have also submitted claims for unpaid PAYE/NIC and VAT, which are both materially higher than the directors' original estimates – having obtained a breakdown of each claim, it would appear the differences relates to assessments for the latter trading periods, which (if completed) may result in a reduction of same – no further action is therefore required

The prospects of dividend to unsecured creditors will wholly depend on further recoveries from the debt collection exercise (and the associated costs of same)

8. CONCLUSION

As mentioned earlier, there are a number of aspects being undertaken, which preclude the conclusion of this matter

Once these have been completed we will be in a position to convene a Final Meeting of Members & Creditors, to obtain our release as Joint Liquidators

As required under the new regulations, we will circulate a draft Final Report (not too dissimilar to this one), and allow a period of eight weeks' time to see whether creditors or shareholders have any objection to the level of remuneration drawn

If any party has a current objection to the level of fees drawn, however, please would they kindly contact us as soon as possible

Please note that, in accordance with the new regulations, there is no longer any requirement to hold an Annual Meeting of Members or Creditors

Signed  _____

David Adam Broadbent
Joint Liquidator

Dated 10 April 2015

**E Bowman and Sons Limited
(In Liquidation)**

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 14/02/2013 To 13/02/2014 (£)	From 14/02/2014 To 13/02/2015 (£)	Total (£)
Funds transferred from Administration		36,020 95	0 00	36,020 95
Book Debts		44,791 37	7,247 04	52,038 41
Retentions		7,231 80	0 00	7,231 80
Bank Interest Gross		4 43	22 62	27 05
		88,048 55	7,269 66	95,318 21
PAYMENTS				
Administrators Fees & Expenses		7,036 00	0 00	7,036 00
Administration Expenses		2,510 66	0 00	2,510 66
Joint Liquidators Fees		0 00	8,000 00	8,000 00
Joint Liquidators Disbursements		67 00	1,225 83	1,292 83
Legal Fees		18,000 00	4,045 00	22,045 00
Pension Advisor Fees		0 00	613 29	613 29
Debt Collection Fees		9,478 12	1,087 05	10,565 17
		37,091 78	14,971 17	52,062 95
Net Receipts/(Payments)		50,956 77	(7,701 51)	43,255 26
MADE UP AS FOLLOWS				
Vat Receivable		7,066.23	(6,350 48)	715 75
Bank 1 Current		45,336.90	(1,347 98)	43,988 92
Vat Payable		(1,446 36)	(3 05)	(1,449 41)
		50,956.77	(7,701 51)	43,255 26



David Adam Broadbent
Joint Liquidator

E Bowman & Sons Limited (In liquidation)

Schedule of Time Costs (as per SIP 9)

	Partner	Manager	Other Senior Professional	Assistance & Support Staff	Other	Total Hours	Total Cost	Total Cost Average
Administration & Planning	5 80	14 00	-	36 60	-	56 40	5,380 00	95 39
Investigations	1 50	3 90	-	-	-	5 40	960 00	177 78
Realisation of Assets	-	20 80	-	-	-	20 80	3,120 00	150 00
Cashiering	-	0 10	-	3 70	-	3 80	200 00	52 63
Trading	-	-	-	-	-	-	-	-
Creditors	3 50	13 20	-	5 60	-	22 30	3,135 00	140 58
Total Hours	10 80	52 00	-	45 90	-	108 70	12,795 00	117 71

Examples of Work

Administration and Planning

Case Planning
Administrative set-up
Appointment notification
Maintenance of Records
Statutory Reporting

Investigations

SIP2 Review
CDDA Reports
Investigating Antecedant Transactions

Realisation of Assets

Identifying, Securing and Insuring Assets
Retention of Title
Debt Collection
Property, Business and Asset Sales

Trading

Management of Operations
Accounting for Trading
On-Going employee issues

Creditors

Communication with Creditors
Creditors' Claims (including Employees and other Preferential Creditors)



E Bowman & Sons Ltd (In Liquidation)

Time charged from the start of the case to 14 February 2015

	Total Hours	Top Cost	Value	Hourly Rate
Administration and Planning	27.00	4,350.00		161.11
Case Accounting - General	0.60	63.00		105.00
Case Control and Review	6.80	1,123.00		165.15
General Administration	18.30	2,973.00		162.46
Travel	0.20	35.00		175.00
Insurance	0.80	84.00		105.00
Fee and WIP	0.30	72.00		240.00
Asset Realisation	2.00	477.00		238.50
Asset Realisation	0.10	22.50		225.00
Freehold/Leasehold Property	0.90	258.00		286.67
Debt Collection	0.40	133.50		333.75
Other Assets	0.60	63.00		105.00
Creditors	6.30	905.50		143.73
Employees	1.90	283.50		149.21
Preferential Creditors	0.10	27.00		270.00
Unsecured Creditors	0.90	151.50		168.33
Unsecured Creditors - TAX/VAT	0.20	45.00		225.00
Pensions	3.10	358.50		115.65
Landlord	0.10	40.00		400.00
Investigation	3.70	1,084.00		292.97
Investigatory work - Other	3.20	936.50		292.66
CDDA Enquiries	0.20	45.00		225.00
Legal - Investigations	0.30	102.50		341.67
Statutory Compliance	4.90	998.50		203.78
Post Appt TAX/VAT	2.70	575.00		212.96
Statutory Compliance - General	0.70	82.50		117.86
Statutory Reporting/ Meetings	1.50	341.00		227.33
Trading	0.10	10.50		105.00
Case Accounting - Trading	0.10	10.50		105.00
Grand Total	44.00	7,825.50		177.85

STATEMENT OF EXPENSES

Type of Expense	Name of party with whom expense incurred	Amount incurred £	Amount paid £	Balance (to be paid) £
Legal Fees	Bond Dickinson (Liquidation)	7,000 00	4,000 00	3,000 00
Quantity Surveyor	Naismiths	10,565 17	10,565 17	Uncertain
Pension Advisor	Insol Financial Solutions Limited	613 00	613 00	Nil