

# LIQ14

## Notice of final account prior to dissolution in CVL



Companies House

WEDNESDAY



\*A98D63DK\*

A12

01/07/2020

#68

COMPANIES HOUSE

### 1 Company details

Company number 01424224  
Company name in full Monavon Construction Limited

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

### 2 Liquidator's name

Full forename(s) David  
Surname Rubin

### 3 Liquidator's address

Building name/number Pearl Assurance House  
Street 319 Ballards Lane  
Post town London  
County/Region  
Postcode N12 8LY  
Country

### 4 Liquidator's name ①

Full forename(s)  
Surname

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

### 5 Liquidator's address ②

Building name/number  
Street  
Post town  
County/Region  
Postcode  
Country

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

# LIQ14

Notice of final account prior to dissolution in CVL

6

## Liquidator's release

☐ Tick if one or more creditors objected to liquidator's release.

7

## Final account

☒ I attach a copy of the final account.

8

## Sign and date

Liquidator's signature

Signature

X



X

Signature date

d

2

d

9

m

0

m

6

y

2

y

0

y

2

y

0

LIQ14

Notice of final account prior to dissolution in CVL



### 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 Philip Kyprianou

Company name David Rubin & Partners

Address Pearl Assurance House  
319 Ballards Lane

Post town London

County/Region

Postcode N 1 2 8 L Y

Country

DX Finchley 1

Telephone 020 8343 5900



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

**IN THE MATTER OF**  
**MONAVON CONSTRUCTION LIMITED - IN LIQUIDATION**

**AND**  
**THE INSOLVENCY ACT 1986**

**THE LIQUIDATOR'S FINAL ACCOUNT**  
**PURSUANT TO SECTION 106 OF THE INSOLVENCY ACT 1986**  
**AND**  
**RULE 18.14 OF THE INSOLVENCY (ENGLAND AND WALES) RULES 2016**  
**FOR THE PERIOD FROM 19 MAY 2017 TO 30 APRIL 2020**

## **CONTENTS**

1. Introduction
2. Statutory information
3. Liquidator's name and address
4. Details of the Liquidator's administration of the winding-up
5. Basis of Liquidator's remuneration and staff allocation
6. Liquidation expenses
7. Details of unrealisable assets
8. Investigations
9. Other relevant information
10. Conclusion

## **APPENDICES**

- A. Receipts and Payments Account from 19 May 2019 to 30 April 2020 and cumulative Receipts and Payments Account from 19 May 2017 to 30 April 2020.
- B. Time analysis for the period from 19 May 2019 to 30 April 2020 and cumulative time analysis for the period from 19 May 2017 to 30 April 2020.

# MONAVON CONSTRUCTION LIMITED - IN LIQUIDATION

---

## 1. Introduction

Monavon Construction Limited (“the Company”) was placed into liquidation by a Special Resolution of the members followed by a Decision of the creditors on 19 May 2017. I have now concluded my administration of the liquidation and present my final account of the liquidation, which covers the period since my last progress report.

## **Rule 18.14 – Content of Final Account**

## 2. Statutory information

Company name: Monavon Construction Limited  
Registered office: Pearl Assurance House, 319 Ballards Lane, London, N12 8LY  
Company number: 01424224  
Trading address: 12B Thorold Road, Bounds Green, London, N22 4WY

## 3. Liquidator’s name and address

David Rubin of David Rubin & Partners, Pearl Assurance House, 319 Ballards Lane, London, N12 8LY was appointed Liquidator of the Company on 19 May 2017.

## 4. Details of the Liquidator’s administration of the winding-up

At Appendix A, I have provided an account of my Receipts and Payments for the period from 19 May 2019 to 30 April 2020 and cumulative figures for the whole liquidation to 30 April 2020, together with a comparison to the Directors’ Statement of Affairs values, which is further explained below.

The work carried out during the liquidation is as set out below in the explanations to my Receipts and Payments Account and in Section 5.3.8.

### 4.1 Receipts

#### 4.1.1 Freehold interest

The Company owned the freehold interest in two properties in London, situated in Elderfield Road, Hackney and Anson Road, Islington, respectively, each consisting of several long leasehold flats. Both freeholds were subject to a fixed charge in favour of Allied Irish Bank’s Plc (“AIB”). Accordingly, following appointment, I sought and received confirmation from AIB that I may proceed to sell these freeholds.

When selling freehold interests of this nature, Right of First Refusal (“ROFR”) legislation applies in that the opportunity to buy the freehold at a fixed price must be offered to the individual leaseholders of the flats within the building. Should leaseholders not elect to buy, a sale may be conducted to a third party. Accordingly, solicitors Sylvester Amiel Lewin & Horne LLP (“SALH”) were instructed to prepare and serve the requisite notices on the leaseholders in compliance with ROFR legislation, and to assist with the subsequent conveyance. The Anson Road freehold was sold to the leaseholders in October 2017 for the sum of £11,570.

**4.1.1 Freehold interest ... continued.**

Following the service of ROFT notices at a level of £18,000, the leaseholders of Elderfield Road did not exercise their right to acquire the freehold, however, a planned conveyance to an unconnected third party at this level failed to complete. Accordingly, ROFR notices were once again served on the leaseholders, this time at a lower level of £15,000. The leaseholders again did not exercise their right to buy the freehold and a sale was subsequently conducted in October 2018 to an unconnected third party for £15,000.

The Directors' Estimated Statement of Affairs as at 15 May 2017 ("ESOA") disclosed freehold interests estimated to realise £24,000. A total of £ 26,570 was received in respect of the Company's freehold interest in the two properties.

**4.1.2 Plant & machinery and motor vehicles**

Upon appointment, my agents, Rabbow & Co LLP ("Rabbow"), were instructed to seek purchasers for the Company's plant & machinery (a Case 28 Mini Digger) and motor vehicle (an Iveco van). Although the ESOA estimated a combined realisable value of £7,375 on a "forced sale" basis, it was anticipated that the in-situ value was likely to be higher, and indeed, following an offer of £7,000 from an unconnected third party, an offer of £10,000 was received from Woodside Developments (London) Limited, a connected party. This offer was accepted and payment was received in August 2017. The consideration was apportioned as follows:

	<b>Estimated To Realise £</b>	<b>Realised £</b>
Plant & machinery	3,575	4,800
Motor vehicle	3,800	5,200
Total	<u>7,375</u>	<u>10,000</u>

Ian McGowan and Michael McGowan, the directors and shareholders of the Company, are also the directors and shareholders of Woodside Developments (London) Limited.

**4.1.3 Cash held on appointment**

The amount of £8,400 was held by my firm, prior to my appointment as Liquidator, specifically for the purposes of meeting the costs of the Statement of Affairs fee as detailed at Section 4.2.1 below.

**4.1.4 Intercompany balances**

The Company's operations were closely tied in with that of its sister companies, Monavon Properties Limited ("MPL") and Monavon Contracting Limited ("MCTL"). In this regard, intercompany transactions, both direct and indirect, were common.

The Company's last set of accounts were made up to 30 June 2016 and detailed balances owing to the Company as follows:

MPL - £96,039  
MCTL - £132,997

### **4.1.4 Intercompany balances ... continued.**

According to the ESOA, by 15 May 2017 these debtor balances had been eliminated, with MPL a creditor in the sum of £14,000, and a neutral position existing in respect of MCTL.

Investigations were carried out into movements on the intercompany accounts since the last accounts. These investigations revealed that the balance owed from MPL had indeed been paid down in full. However, the sum of £14,997 was outstanding to the Company from MCTL.

A payment of £15,000 in settlement of this intercompany balance was received from MCTL in October 2017.

### **4.1.5 Preference settlement**

On 21 April 2017, the Company received the sum of £330,000 into its bank account in consideration for the sale of the flat in Elderfield Road referred to above. After clearing its secured overdraft facility, a balance of £139,295 remained.

Between this date and the date of liquidation less than a month later, the Company made payments totalling over £160,000, and at the date of liquidation the account was overdrawn in the sum of £24,919.

Consequently, it was deemed that the recipients of these payments were treated preferentially. Under Section 239 of the Insolvency Act 1986 ("IA86"), these transactions may be challenged by the liquidator, and an order from the court for "restoration" can be sought. Furthermore, in certain circumstances transactions of this nature can also potentially constitute grounds for a misfeasance claim against the directors personally, under Section 212 of IA86.

Accordingly, solicitors' Howes Percival LLP ("HP") were instructed to assist with the relevant claims. HP reviewed the evidence and advised there to be strong grounds for claims against the relevant parties. Accordingly, evidence was prepared and the relevant pre-litigation demands for payment were issued to the respondents.

Following discussions with the directors, in January 2018, I received an offer with a value amounting to £67,498 in full and final settlement of any claims the liquidator may have in respect of preferential payments. Following consultation with HP, and after taking into account the substantial additional costs that would be incurred should the litigation proceed to trial, this offer was accepted on 6 February 2018. The settlement consisted of the discharge of the Company's liability to the secured creditor AIB, amounting to £27,568, as well as a further sum of £40,000, to be paid into the liquidation estate in 6 equal monthly instalments of £6,666.66. The sums payable pursuant to the terms of the preference settlement have been paid in full.

### **4.1.6 Property settlement**

The Company's insolvency and eventual entry into liquidation were the direct result of a large fine payable to HM Courts & Tribunals Service resulting from an accident that occurred at one of its building sites in October 2013. It was therefore deemed appropriate to undertake an in-depth review of the Company's e-mail records for the period between the occurrence of the accident and the date of liquidation be undertaken.



### **4.1.6 Property settlement ... continued.**

These investigations revealed e-mails which suggested that in February 2014, the Company had issued a new 125 year lease for an area within a property in Anson Road, Islington, of which it owned the freehold, to an associate of the directors, for nil consideration. It was considered that, as a consequence of the investigation ongoing at this time and the Company's potential prosecution, this disposal could have been an attempt to put assets beyond the reach of creditors.

In addition, I subsequently identified a further claim relating to the same property, regarding a section of the property's rear garden that formed part of the Company's freehold title until August 2015, when it was transferred as part of a lease variation to a flat within the building owned and subsequently sold by one of the Company's directors. It was considered that, as the disposition took place during the relevant time, this could constitute a Transaction as Undervalue, under Sections 238 of IA86 as well as misfeasance on the part of the directors under Section 212.

Consequently, a detailed file of evidence was collated and passed to HP, and a specialist firm of property agents was instructed to prepare the relevant current and historic valuation evidence in order to formulate the quantum of the Company's claims, which amounted to in excess of £500,000.

Letters setting out the basis of the claims were issued to the respondents by HP in December 2017. The respondents, via their legal representatives, strongly denied the claim that there had been an intention to put these assets beyond the reach of creditors, and refuted the possibility that there was any link whatsoever to the potential implications of investigations initiated following the incident in October 2013. The respondents advised that the relevant disposition to the associated party was thought to have taken place circa 15 years earlier in the late 90s as part of a retirement plan, with the failure to transfer the relevant property the result of an error on the part of the Company's professional representatives at the time, which had only come to light in 2014.

Following protracted correspondence, a pre-litigation "round table" meeting with legal representatives present was eventually agreed and scheduled for 18 May 2018 in an attempt to reach an accommodation between the parties that would avert the need for proceedings to be issued.

At the meeting, the respondents re-iterated that they entirely refuted the basis of the claims. However, in order to avert the threat of costly and protracted litigation and an eventual trial, they were prepared to consider a settlement with the Liquidator. Following negotiations, a settlement in which the directors would pay the liquidation estate the sum of £250,000 was agreed between the parties.

Subsequent to the meeting, a formal Settlement Agreement documenting the terms agreed was drafted and executed by the parties on 6 July 2018. The first instalment of £125,000 was received in August 2018, with the second and final instalment of £125,000 received in November 2018.

### **4.1.7 Cash at bank**

Following my appointment, the Company's bank account with AIB was closed and the balance of £1,560 was remitted to the liquidation estate.

**4.1.8 Utility refund**

The sum of £79.68 was received from EON in respect of a credit balance on the Company's energy account.

**4.1.9 Rates refund**

A refund of £618.63 was received from the London Borough of Islington in respect of pre-paid national non-domestic rates.

**4.1.10 Bank interest received**

The funds in hand were held in an interest bearing account with a High Street bank in the Office Holder's name.

Interest earned on the funds in hand amounts to £33.42.

**4.2 Payments**

**4.2.1 Statement of Affairs fee**

A fee of £7,000 was paid to my firm for the assistance given to the directors of the Company in preparing the Statement of Affairs under Section 99 of the IA86 and necessary expenses in respect of the Decision Procedure to seek a Decision from the creditors on the nomination of a Liquidator under Rule 6.14 of the Insolvency (England and Wales) Rules 2016. This fee was approved at the Virtual Meeting of creditors.

**4.2.2 Specific bond**

The specific bond is the cost of insurance, based on the level of realisations by the Liquidator, as required by the Insolvency Practitioners Regulations 2005. The amount of £450 has been paid in this regard.

**4.2.3 Statutory advertising**

This represents the costs for the publishing of statutory advertising in the London Gazette in respect of the first virtual meeting of creditors and notice of the appointment of the Liquidator. Statutory advertising costs of £338.40 have been paid.

**4.2.4 Meeting costs**

The first meetings of members and creditors were held at my offices for which my firm charged a nominal rental of £150 for the provision of the boardroom and ancillary facilities.

**4.2.5 Land Registry searches**

I have incurred fees of £15 in respect of Land Registry searches.

**4.2.6 Carriage and archiving**

My firm uses its own personnel and vehicle for the collection and listing of books and records for which we charge £50 per hour. My firm has been paid £100 for 2 hours in this regard.

### **4.2.7 Storage costs**

My firm uses a commercial archiving company for storage facilities for the Company's records and papers. This is recharged at the rate of £10 per box per quarter and includes a small charge to cover the administration costs of archiving and retrieval of documents. I am also required to keep my working papers for 6 years from the conclusion of the liquidation. Storage costs of £825 have been charged.

### **4.2.8 Legal fees and disbursements**

The amount of £19,260,000 was paid to HP for advising and assisting in the preference and property disposition claims detailed in Sections 4.1.5 and 4.1.6 above.

HP has a specialist insolvency department and they were chosen on that basis after taking into account the size and complexity of the legal issues. HP charge their fees on a time costs basis.

Disbursements paid to HP amount to £239.40 and consist of Land Registry search and office copy fees of £21 and travel costs of £218.40 incurred in attending meetings at my office.

The amount of £4,350 was paid to Sylvester Amiel Lewin & Horne LLP ("SALH") for handling the conveyance of the freehold interests in 25 Anson Road, Islington, and 44 Elderfield Road, Hackney.

SALH have expertise and experience of conveyancing and they were chosen on that basis after taking into account the size and complexity of the legal issues. SALH charged a fixed fee.

Disbursements paid to SALH comprised £43 for a Land Registry search and office copy fees and the sum of £100 paid to the Company's pre-liquidation conveyancing solicitors, Ellicotts, for supplying copy documents pertaining to previous property transactions entered in to by the Company.

### **4.2.9 Agents' fees**

The sum of £1,750 was paid to Rabbow for providing the valuation of the Company's assets, comprising of plant and machinery and motor vehicles, and assisting in the sale thereof.

Rabbow were selected as agents on the basis of their experience and expertise in dealing with valuations and sale of assets in insolvency situations, taking into account the locality and size of the Company. The agreed basis of Rabbow's fees was a fixed fee of £750 for the valuation report plus a commission of 10% on asset realisations.

The amount of £850 was paid to Pantera Property ("Pantera") for preparing various valuations relating to the property disposition claims detailed in Section 4.1.6. Pantera were selected as agents on the basis of their experience and expertise in dealing with property valuation in insolvency situations. Pantera charged a fixed fee.

### **4.2.10 Insurance of Assets**

The Company's freehold property interests were insured in the period between my appointment as Liquidator and their sale at a cost of £ 1,707.88. Cover was provided through my broker, Willis Limited.

**4.2.11 Stationery and postage**

The costs of stationery and postage for correspondence and reports sent to creditors and members have been recovered. Headed paper and pre-printed envelopes are recharged at 25 pence per unit, whilst photocopying, including paper, is recharged at 6 pence per copy. A total of £771.70 has been paid to my firm.

**4.2.12 Sundry expenses**

Telephone conference charges of £19.91 were paid to BT Conferencing and the sum of £39.99 was paid for a USB drive to store and transport company records required for my investigations.

**4.2.13 Liquidator's remuneration**

As shown in the Receipts and Payments Account, I have drawn remuneration, as Liquidator, of £84,891.37. This is explained further at Section 5.3 below.

**5. Basis of Liquidator's remuneration and staff allocation**

**5.1 Basis of remuneration**

Following a Decision Procedure of Creditors the basis of my remuneration as Liquidator was fixed by reference to the time properly spent by my staff and myself in attending to matters arising in the winding-up.

In accordance with the provisions of Statement of Insolvency Practice 9, a schedule of my firm's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. These rates were set in November 2011 and have fallen substantially behind prevailing market rates for a business of our size and expertise. Accordingly, the rates were revised on 1 November 2018. Our current hourly charge-out rates exclusive of VAT, which are charged in units of 6 minutes, are as follows:-

	<b>Previous</b>	<b>Current</b>
	<b>£</b>	<b>£</b>
Senior / Managing Partners	450	550
Partners / Office Holders	300 - 395	495
Managers / Senior Managers	250 - 295	350 - 395
Senior Administrators	180 - 220	220 - 295
Administrators	130 - 160	160 - 200
Cashiers and Assistants	120 - 160	150 - 295
Supports	110 - 120	120 - 150

Charge-out rates are normally reviewed annually in November, when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance.

**5.2 Staff allocation and the use of subcontractors**

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case. The constitution of the case team will usually consist of a Partner, Manager, Senior Administrator, and two Administrators. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

I have not utilised the services of any subcontractors in this case.

### **5.3 Liquidator's remuneration**

- 5.3.1 My time costs for the period from 19 May 2019 to 30 April 2020, which covers the period since my last progress report to creditors, are £16,803. This represents 52 hours at an average rate of £323 per hour. I attach as Appendix B a time analysis which provides details of the activity during this period, analysed by staff grade, in respect of my firm's remuneration fixed by reference to time properly spent by my staff and me in managing the liquidation.
- 5.3.2 I have also reviewed my cumulative time costs for the period from 19 May 2017 to 30 April 2020 and would report that my total time costs are £97,071 for 351.3 hours, which equates to an average cost of £276 per hour. A breakdown of my cumulative time charges is also set out in Appendix B.
- 5.3.3 I have drawn fees of £84,891 and I have outstanding fees of £12,180, which will not be recovered. Accordingly, my firm has been paid an average hourly rate of £242 per hour for the 351.3 hours worked.
- 5.3.4 Creditors may recall that I provided them with my fees estimate of £35,733 for the administration of the liquidation, fixing the basis of my remuneration on a time costs basis. I would confirm that it was necessary during the liquidation to seek further approval to increase my original fees estimate because of the additional work required in conducting my investigations detailed in Section 8.3, negotiating a settlement with the directors and making distributions to creditors. A revised fee estimate of £84,892 was approved by creditors on 16 March 2018 in a decision procedure by correspondence.
- 5.3.5 As you may be aware, a Liquidator must comply with various statutory obligations under the IA86 and other related legislation. Details about the work I carried out in this regard were outlined previously and I would confirm that in this period of the liquidation, the only matters that have affected the costs to any particular extent are reviewing the case for closure and preparing my annual and final reports.
- 5.3.6 Where the costs of statutory compliance work or reporting to creditors exceeded the initial estimate, it is usually because the duration of the case has taken longer than anticipated, which has in turn placed a further statutory reporting requirement on the Liquidator.
- 5.3.7 As noted in my initial fees estimate/information, this work has not necessarily brought any financial benefit to creditors, but is work required on every case by statute.
- 5.3.8 To view an explanatory note concerning Liquidators' remuneration approved by the Joint Insolvency Committee, please visit the Publications folder on our website [www.drpartners.com/cases](http://www.drpartners.com/cases), using the following log-on details:

USERNAME: M485@drco.co.uk

PASSWORD: 584Mmh\*!

Alternatively, please contact this office to arrange for a copy to be sent to you.

**5.3 Liquidator's remuneration ... continued.**

5.3.9 Included in the work undertaken by me and my staff is the following:-

- i) Dealing with creditors' enquiries both by correspondence and by telephone and noting their claims;
- ii) Carrying out all necessary investigations, including the examination of the Company's statutory books and books of accounts and records in order to enable me to prepare and submit a Liquidator's report on the conduct of the directors pursuant to the requirements of the Company Directors Disqualification Act 1986;
- iii) Providing further information to the Insolvency Service in order to assist with additional investigations undertaken following the filing of my aforementioned report on the conduct of the directors;
- iv) Instructing and liaising with solicitors to achieve a sale of the Company's freehold interests in two properties and providing information throughout the "Right of First Refusal" and sale process;
- v) Conducting investigations into the intercompany balances existing between the Company and various connected companies, and engaging in correspondence with the relevant connected companies in this regard;
- vi) Performing extensive investigations into payments made from the Company's bank accounts in the lead up to liquidation and liaising with solicitors in this regard;
- vii) Correspondence and negotiations with instructed solicitors and the Company's directors in respect of the preference settlement detailed in Section 4.1.5;
- viii) Performing detailed forensic investigations into the Company's emails and other electronic records;
- ix) Collating a file of evidence regarding the property dispositions referred to at Section 4.1.6, and liaising with solicitors in respect of the associated claims;
- x) Attending a round table meeting with the respondents of the property disposition claims and negotiating a settlement in this regard;
- xi) Monitoring receipt of sums due pursuant to the terms of the various settlements referred to in Sections 4.1.5 and 4.1.6 and issuing chaser e-mails where required;
- xii) Providing the Company's major creditor with regular updates and reports on the progress of the liquidation;
- xiii) Preparation and circulation of my annual progress reports and Receipts and Payments Accounts to creditors pursuant to Section 104A of the IA86 and submission of same to the Registrar of Companies;
- xiv) Correspondence and telephone attendances with former employees and the Redundancy Payments Service ("RPS") and the submission of the relevant redundancy payment forms to the RPS;

**5.3 Liquidator's remuneration ... continued.**

- xv) Adjudicating and agreeing the claims of preferential creditors and processing a dividend of 100 pence in the pound;
- xvi) Adjudicating and agreeing the claims of non-preferential unsecured creditors and processing a dividend of 33.75 pence in the pound;
- xvii) Filing the appropriate documents relating to the liquidation at Companies House;
- xviii) Collecting and archiving the Company's books and records;
- xix) Applying for the Liquidator's bond, as required by the Insolvency Practitioners Regulations 2005;
- xx) Publishing the necessary statutory advertisements in respect of the liquidation proceedings;
- xxi) Opening a designated bank account and dealing with the movement of funds;
- xxii) Correspondence with the Company's bankers in respect of the closure of the Company's bank account and the provision of information regarding the Company's accounts;
- xxiii) Applying for the Company's VAT deregistration and correspondence with HM Revenue & Customs on matters pertaining to the liquidation;
- xxiv) Preparation and submission to HM Revenue & Customs of the relevant VAT and Corporation Tax returns; and
- xxv) Preparation of my final report and Receipts and Payments Account to creditors pursuant to Section 106 of the IA86.

**6. Liquidation expenses**

Expenses incurred in the liquidation are explained in Section 4.2, above, in my comments on the Receipts and Payments Account.

**7. Details of unrealisable assets**

There are no assets remaining to be realised.

**8. Investigations**

- 8.1 Some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.
- 8.2 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential.

**8. Investigations ... continued.**

8.3 My examinations revealed the following matter which required further investigations:

8.3.1 Intercompany balances – detailed in Section 4.1.4, above.

8.3.2 Preference payments – detailed in Section 4.1.5 above.

8.3.3 Disposal of a leasehold property in February 2014 – detailed in Section 4.1.6

8.3.4 Disposal of a leasehold property in April 2017

The Company sold a leasehold property in Elderfield Road, Hackney, for the sum of £330,000 in April 2017, less than a month before entering liquidation. After failing to sell at a public auction, a sale was conducted to associated parties of the directors.

Accordingly, this transaction was investigated in order to ascertain whether the sale could constitute a transaction at undervalue defined under Section 238 of the IA86. These investigations corroborated the directors' remarks from the Directors' Report to Creditors that the property was placed in a public auction, at which it failed to meet its reserve of £330,000. Furthermore, it has also been established that AIB, the eventual purchasers' lender, had a valuation survey undertaken by a reputable firm of chartered surveyors in early April 2017. The property was valued at £330,000, its eventual sale price. Consequently, I do not believe that the transaction can be challenged as a transaction at undervalue.

8.3.5 Since my last progress report I would advise that no further assets have come to light that may be pursued by me for the benefit of creditors.

**9. Other relevant information**

**9.1 Secured creditors**

Allied Irish Banks plc holds a fixed and floating charge over the Company's assets, created on 2 December 1994 and registered at Companies House on 3 December 1994. Following my appointment, AIB advised me that the outstanding balance was £27,499 at 19 May 2017 which was in accordance with the Company's records, and interest continued to accrue on the amount outstanding.

As part of the Preference Settlement detailed in Section 4.1.5, above, the liability owing to AIB was discharged in full.

AIB provided written confirmation in April 2018 that no liability remains.

**9.2 Prescribed part**

Section 176A of the IA86 provides for a prescribed part of the Company's net property to be retained from distribution to the floating charge holder, where the debenture was created on or after 15 September 2003, and made available for the satisfaction of unsecured debts.

This regulation does not apply as debenture was granted before 15 September 2003.



**9.3 Preferential creditors**

The ESOA listed preferential claims of £4,358 from 5 employees.

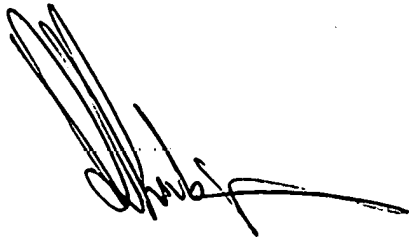
I have received and agreed a preferential claim of £2,668.26 from the RPS. I have also agreed the preferential claims of 4 employees who were owed the balance of their holiday pay amounting to £1,151.78. A dividend of 100 pence in the pound, totalling £3,820.04, was paid to preferential creditors on 12 October 2018.

**9.4 Unsecured creditors**

The claims of 14 unsecured creditors totalling £668,192.74 have been received and agreed compared to 18 creditors totalling £679,850 disclosed on the ESOA. A first and final dividend of 33.75 pence in the pound, totalling £225,500, was paid to unsecured creditors on 26 March 2019. Due to an administrative error, one creditor was paid £40 more than intended. It was not deemed economical to seek repayment of this amount, and consequently, the actual sum distributed totals £225,540.

**10. Conclusion**

This final account will conclude my administration of this case. I trust you will find this report adequate for your purposes but should you require any further information, please do not hesitate to contact in the first instance my Manager, Philip Kyprianou, at this office.



**DAVID RUBIN - LIQUIDATOR**

**30 April 2020**

**MONAVON CONSTRUCTION LIMITED - IN LIQUIDATION**  
**LIQUIDATOR'S FINAL RECEIPTS AND PAYMENTS ACCOUNT**  
**FROM 19 MAY 2017 TO 30 APRIL 2020**

	<b><u>Estimated</u></b> <b><u>To Realise</u></b>	<b><u>Realised</u></b>	<b><u>Period</u></b> <b><u>19-Mar-19 to</u></b> <b><u>30-Apr-20</u></b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>Balance brought forward</u></b>			6,708.84
<b><u>Receipts</u></b>			
Freehold interests	24,000	26,570.00	-
Plant & machinery	3,575	4,800.00	-
Motor vehicles	3,800	5,200.00	-
Cash held on appointment	8,400	8,400.00	-
Intercompany debtors		15,000.00	-
Preference settlement		39,999.96	-
Property settlement		250,000.00	-
Cash at bank		1,560.00	-
Utility refund		79.68	-
Rates refund		618.63	618.63
Bank interest received		33.42	-
		<u>352,261.69</u>	<u>7,327.47</u>
<b><u>Payments</u></b>			
Statement of Affairs fee		7,000.00	-
Specific bond		450.00	-
Statutory advertising		338.40	-
Meeting costs		150.00	-
Land Registry searches		15.00	15.00
Carriage and archiving		100.00	-
Storage costs		825.00	825.00
Legal fees		23,610.00	-
Legal disbursements		382.40	-
Agents' fees		2,600.00	-
Insurance of assets		1,707.88	-
Stationery and postage		771.70	771.70
Sundry expenses		59.90	59.90
Liquidator's remuneration		84,891.37	5,655.87
		<u>122,901.65</u>	<u>7,327.47</u>
<b><u>Receipts less payments</u></b>		229,360.04	-
<b><u>Distributions:</u></b>			
<b>Preferential creditors</b>			
4 creditors with claims totalling £3,820.04			
1st and final dividend of 100p in the £ paid on 12/10/18	3,820.04		
<b>Unsecured creditors</b>			
14 creditors with claims totalling £668,192.74			
1st and final dividend of 33.75p in the £ paid on 26/03/19	225,540.00		
		<u>229,360.04</u>	

## MONAVON CONSTRUCTION LIMITED - IN CREDITORS VOLUNTARY LIQUIDATION

<b>LIQUIDATOR'S TIME COSTS</b> <b>FOR THE PERIOD 19 MAY 2019 TO 30 APRIL 2020</b> <b>SIP 9 TIME SUMMARY</b>							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
Statutory compliance, admin and planning	00:24	34:00	14:30	02:48	51:42	16,698.00	322.98
Creditors	00:00	00:18	00:00	00:00	00:18	105.00	350.00
<b>Total hours and costs</b>	00:24	34:18	14:30	02:48	52:00	16,803.00	323.13

<b>LIQUIDATOR'S CUMULATIVE TIME COSTS</b> <b>FOR THE PERIOD FROM 19 MAY 2017 TO 30 APRIL 2020</b> <b>SIP 9 TIME SUMMARY</b>							
Classification of work function	Hours					Total Cost £	Average hourly rate £
	Partners	Manager / Senior Manager	Admin / Senior Admin	Cashiers	Total hours		
<b>Statutory compliance, admin and planning</b>							
IPS set up & maintenance	00:00	00:06	00:00	00:00	00:06	22.00	220.00
Statutory filings, circulars, notices, etc.	01:00	13:30	22:30	00:00	37:00	7,768.00	209.95
Case planning, strategy & control	26:24	00:00	00:00	00:00	26:24	12,020.00	455.30
Taxation: PAYE, C/Tax & VAT	00:00	00:00	06:06	00:00	06:06	1,206.00	197.70
Accounting & Cashiering	00:00	00:00	03:24	17:48	21:12	3,639.00	171.65
Case reviews & Diary maintenance	01:00	14:24	08:00	00:00	23:24	6,345.00	271.15
Statutory reporting and compliance	00:00	41:06	19:18	00:00	60:24	17,637.00	292.00
<b>Investigations</b>							
CDDA matters & correspondence	00:00	05:48	00:00	00:00	05:48	1,324.00	228.28
SIP2 assessment and financial review	00:00	02:18	00:00	00:00	02:18	506.00	220.00
Antecedant transactions & wrongful trading	07:54	32:12	01:00	00:00	41:06	11,284.00	274.55
Proceedings & recoveries	00:00	00:48	00:00	00:00	00:48	200.00	250.00
<b>Realisation of assets</b>							
Freehold & leasehold properties	28:54	19:48	00:00	00:00	48:42	17,622.00	361.85
Shares & investments	00:24	00:00	00:00	00:00	00:24	180.00	450.00
Book debts collection	00:00	01:54	00:00	00:00	01:54	418.00	220.00
Tangible assets	00:18	03:54	03:30	00:00	07:42	1,685.00	218.83
<b>Creditors</b>							
Secured creditors	00:00	00:54	00:00	00:00	00:54	213.00	236.67
Unsec'd Creditors: correspondence & claims	00:48	12:36	30:12	00:00	43:36	10,155.00	232.91
Preferential creditors & employees	00:00	11:18	12:12	00:00	23:30	4,847.00	206.26
<b>Total hours and costs</b>	66:42	160:36	106:12	17:48	351:18	97,071.00	276.32