

**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

03957720

Name of Company

1st Class Building &amp; Maintenance Limited t/a Spiller Builders

I ~~Am~~ We  
Simon Ashley Rowe  
One Redcliff Street  
Bristol  
BS1 6NP

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 14/04/2011 to 13/04/2012

Signed

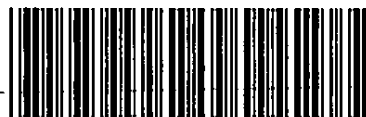
Date

12/6/12

Milsted Langdon LLP  
One Redcliff Street  
Bristol  
BS1 6NP

Ref STCLPOST/SR/RH/JMY

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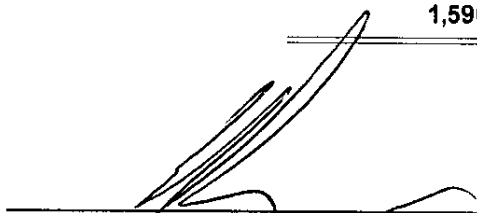
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**1st Class Building & Maintenance Limited t/a Spiller Builders**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs	From 14/04/2011 To 13/04/2012	From 14/04/2010 To 13/04/2012
<b>SECURED ASSETS</b>		
Goodwill	NIL	1,000 00
Intellectual property	NIL	3 00
	NIL	1,003 00
<b>SECURED CREDITORS</b>		
Natwest Bank Plc	1,003 00	1,003 00
	(1,003 00)	(1,003 00)
<b>ASSET REALISATIONS</b>		
NIL Plant & machinery	NIL	NIL
1,250 00 Furniture & equipment	NIL	6,000 00
20,631 00 Motor vehicles	NIL	17,996 00
Stock	NIL	1 00
NIL WIP	NIL	NIL
139,662 00 Book Debts	13,077 92	31,170 63
NIL Fixtures & fittings	NIL	NIL
Insurance refund	NIL	1,099 77
Cash at bank	NIL	4,353 37
Bank interest gross	8 44	35 53
Sundry refunds	NIL	1,966 10
	13,086 36	62,622 40
<b>COST OF REALISATIONS</b>		
Specific bond	NIL	40 00
Pre-Appointment fees	NIL	10,000 00
Pre-Appointment expenses	NIL	1,004 59
Office holder's fees	6,088 34	29,526 16
Office holder's expenses	579 39	1,183 65
Agents/Valuers fees	1,000 00	1,570 00
Legal fees	7,317 06	16,636 43
Corporation tax	NIL	5 66
Re-Direction of mail	NIL	51 92
Statutory advertising	NIL	226 80
Insurance of assets	NIL	786 81
General buffer	NIL	NIL
	(14,984 79)	(61,032 02)
<b>PREFERENTIAL CREDITORS</b>		
(12,754 76) Employees	NIL	NIL
	NIL	NIL
<b>FLOATING CHARGE CREDITORS</b>		
(421,419 84) NatWest Bank Plc	NIL	NIL
(102,250 00) Etloe Limited	NIL	NIL
	NIL	NIL
<b>UNSECURED CREDITORS</b>		
(324,682 81) Trade & expense creditors	NIL	NIL
(53,010 80) Employees	NIL	NIL
(104,056 00) HM Revenue & Customs (VAT)	NIL	NIL
(141,316 00) HM Revenue & Customs (PAYE/NI)	NIL	NIL
(59,685 00) Inter-Company loans	NIL	NIL

**1st Class Building & Maintenance Limited t/a Spiller Builders  
(In Liquidation)  
Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 14/04/2011 To 13/04/2012	From 14/04/2010 To 13/04/2012
		NIL	NIL
	DISTRIBUTIONS		
(800 00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
<b>(1,058,432.21)</b>		<b>(2,901.43)</b>	<b>1,590.38</b>
	REPRESENTED BY		
	Vat receivable		260 46
	Bank 1 Current		1,329 92
			<b>1,590 38</b>
			
			Simon Ashley Rowe Liquidator

**Liquidator's Annual  
Progress Report to  
Members and Creditors**

**1ST CLASS BUILDING &  
MAINTENANCE LIMITED T/A  
SPILLER BUILDERS  
- IN LIQUIDATION  
13 APRIL 2012**

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- 2 Realisation of Assets
- 3 Creditors
- 4 Dividend
- 5 Liquidator's Remuneration
- 6 Liquidator's Expenses
- 7 Creditors' Rights
- 8 Next Report

## **APPENDICES**

- A Receipts and Payments Account from 14 April 2011 to 13 April 2012
- B Time Analysis for the period 14 April 2011 to 13 April 2012
- C Additional Information in relation to Liquidator's fees pursuant to Statement of Insolvency Practice No 9

**1 0 Introduction and Statutory Information**

1 1 I, Simon Ashley Rowe of One Redcliff Street, Bristol, BS1 6NP, was appointed as Liquidator of 1st Class Building & Maintenance Limited t/a Spiller Builders ("the Company") on 14 April 2010. This report provides an update on the progress in the liquidation for the year ended 13 April 2012.

1 2 The principle trading address of the Company was 140d Redland Road, Redland, Bristol, BS6 6YA. The business traded under the name Spiller Builders.

1 3 The registered office of the Company has been changed to One Redcliff Street, Bristol, BS1 6NP and its registered number is 03957720.

**2 0 Realisation of Assets**

2 1 Attached at Appendix A is my Receipts and Payments Account for the period from 14 April 2011 to 13 April 2012.

**Book Debts**

2 2 As you are aware from my previous report the Company's principle debtor, Topshore Limited, entered into liquidation on 8 September 2010. I am in receipt of a progress report from the liquidator for the year ended 7 September 2011 which states that it is highly unlikely that there will be a dividend payable to unsecured non-preferential creditors.

2 3 I have recently spoken with the case manager who has confirmed that he is in the process of finalising the liquidation and that there will not be a distribution to creditors.

2 4 Therefore, unfortunately, I have had to write off the debt due to the Company in the amount of £850,000.

- 2 5 I held a meeting with the remaining director of Topshore Limited in November 2010. The debt due to the Company from Topshore Limited was personally guaranteed by the director to the sum of £850,000 plus VAT. The director claimed that he did not believe the works had been carried out to a satisfactory standard. Furthermore, he explained that even if pursued under the personal guarantee, he had insufficient funds to settle the debt and would therefore declare himself bankrupt. There are currently insufficient funds within the liquidation estate to consider any legal action against the director.
- 2 6 A number of the Company's remaining book debts and retentions were historic with the earliest dating back to 2004.
- 2 7 I enlisted the services of a specialist construction lawyer in order to advise me of the relative risks and merits in pursuing recovery from these debtors.
- 2 8 From my previous report you will note that I was engaged in pre-issue negotiations with one of the debtors. I can now report that at a court hearing on 30 November 2011 before His Honour Judge Havelock-Allan QC it was ordered that a single joint expert ("the SJE") be sought to express its opinion on the dispute.
- 2 9 It was agreed by both parties that Selway Joyce Construction Cost Consultants be appointed as the SJE to consider all the relevant documentation, visit the sites with the debtor and with Alan Spiller in attendance. Both parties were to be present solely to answer questions put to them by the SJE and otherwise to make no further comment or observations whatsoever.
- 2 10 The SJE provided a written report dated 28 March 2012 detailing its expert opinion on the work which had been carried out, as detailed in the original invoices. His report will be presented to the court. I am currently waiting for a hearing date.
- 2 11 It is dependent on the outcome of this court case whether I will proceed with some of the other outstanding disputes.
- 2 12 Since my last report I have written again to the debtors who are not being pursued by my solicitors in order for them to forward to me the payment outstanding or to provide me with evidence to contrary.

- 2 13 I am pleased to report that during this period I have received, from three debtors, the total amount of £13,077 92 into the liquidation account
- 2 14 One of these debtors is currently subject to an Individual Voluntary Arrangement Dividends are payable annually and during this period £281 96 has been received
- 2 15 A further debtor disputed that it owed the total amount of an invoice in the sum of £362 25 After discussions with the director it was agreed that an error had been made with the invoice However, I have recovered the amount of £30 from this debtor for the cost of a repair to a shower
- 2 16 The third debtor owed the Company in the region of £74,000 It disputed the debt in its entirety and argued that it had not received any correspondence from the Company in over three years and had thought the matter was closed It stated that after the Company had "completed" the work a number of major defects were noticed and also claimed that the builders had damaged the flooring of the house
- 2 17 The debtor claims to have had no alternative but to instruct further contractors to rectify the problems Solicitors were instructed to deal with this matter and after negotiations I agreed to accept £12,765 96 plus VAT in full and final settlement
- 2 18 The remaining balance of these debts has since been written off
- 2 19 After receiving evidence from a number of other debtors disputing the amounts outstanding from them I have regrettably since written off a further £11,590 20

### 3 0 **Creditors**

#### **Secured Creditors**

- 3 1 As previously advised Natwest Bank Plc ("the Bank") holds two fixed and floating charges over the Company's assets They were registered on 16 November 2000 and 12 December 2007 At the date of the liquidation the indebtedness was estimated at £421,419 84
- 3 2 The proceeds from the realisation of the goodwill and intellectual property have allowed me to distribute funds to the Bank The sum of £1,003 was paid to the Bank in accordance with its fixed charge dated 10 November 2000
-



- 3 3 The Company also granted a fixed and floating charge to Etloe Limited on 9 January 2009 and on the date of the liquidation the total indebtedness to it as shown on its claim in the liquidation was £99,000. Accordingly, I may be required to create a fund out of the Company's net floating charge property for unsecured creditors.
- 3 4 Based on present information, I estimate that there will be insufficient floating charge realisations to pay the preferential creditors or the Bank in full. Therefore, it is unlikely that there will be a prescribed part distribution.

#### **Preferential Creditors**

- 3 4 A summary of preferential claims is detailed below.

	<b>Agreed Claim £</b>	<b>Statement of Affairs £</b>
Employee Claims / DBIS	8,124 28	12,754 76
	<u>8,124 28</u>	<u>12,754 76</u>

#### **Unsecured Creditors**

- 3 5 I have received claims totalling £706,511.01 from 77 creditors. I have yet to receive claims from 66 creditors whose debts total £248,871.20 as per the director's statement of affairs.

#### **4 0 Dividend**

- 4 1 Whilst I am continuing to realise the Company's book debts, there are insufficient funds to enable a distribution to any class of creditor at this time. As previously reported, the scarcity of floating charge asset realisations renders the provisions of the prescribed part, which would otherwise apply, of no benefit to unsecured creditors in this case.

5 0     **Liquidator's Remuneration**

5 1     The creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation

5 2     My time costs for the period from 14 April 2011 to 13 April 2012 are £23,207 40 This represents 238 19 hours at an average rate of £97 43 per hour Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by me in managing the Liquidation Total costs amount to £77,085 76 against which £29,526 16 plus disbursements of £1,183 65 have been drawn on account

5 3     Attached at Appendix C is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade

- **Administration and Planning** – This time relates to the administrative duties undertaken It includes all statutory duties in respect of obligations to creditors, Companies House and periodic reviews It also includes time spent dealing with tax and VAT matters
- **Realisations** – This time relates to the collection of the Company's book debts
- **Creditors** – This time relates to dealing with creditors' claims and other general enquiries and correspondence
- **Fixed Charge realisations** – This time relates to distribution to the secured creditor from realisation of fixed charged assets

5 4     Since the 13 April 2011 the following Category 2 disbursements have been taken

- |                       |       |
|-----------------------|-------|
| • <b>Faxes</b>        | 3 00  |
| • <b>Photocopying</b> | 5 50  |
| • <b>Mailing Fee</b>  | 92 50 |

## 6.0 Liquidator's Expenses

6.1 Between 14 April 2011 and 13 April 2012 the following expenses have been incurred and paid

Description	Outstanding from prior period	Incurred in this period	Paid in this period	Outstanding
Liquidator's Fees	£29,067 03	£23,207 40	£6,088 34	£46,186 09
Liquidator's Disbursements	£411 47	£357 78	£579 39	£189 86
Agents Fees	Nil	£1,000	£1,000	Nil
Legal Fees	£7,371 06	Unknown	£7,371 06	Unknown
<b>Total</b>	<b>£36,849.56</b>	<b>£24,565.18</b>	<b>£15,038.79</b>	<b>£46,375.95</b>

6.2 Further legal fees have been incurred during this period but these are under a conditional fee agreement and until the outcome of any litigation is known, it is not possible to assess these

## 7.0 Creditors' rights

7.1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report

7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive

8 0      **Next Report**

8 1      The next report is anticipated to be after the next anniversary

Yours faithfully

**SIMON ASHLEY ROWE**  
**Liquidator**

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Appendix A

**1st Class Building & Maintenance Limited t/a Spiller Builders  
(In Liquidation)  
Liquidator's Abstract of Receipts & Payments**

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Stock	NIL	1 00
NIL WIP	NIL	NIL
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**(In Liquidation)**  
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	REPRESENTED BY		
	Vat receivable		260 46
	Bank I Current		1,329 92
			<b>1,590.38</b>

Notes

This estate is VAT registered and therefore VAT should be recoverable

No dividends have been paid to creditors

## Appendix B

### 1st Class Building & Maintenance Limited t/a Spiller Builders Time and disbursement analysis For the period 14 April 2011 to 13 April 2012

Charge group	Partner	Manager	Other Senior Professionals	Assistants and Support Staff	Total	Total cost (£)	Avg. Hourly Rate (£)
Administration & planning	3 15	9 63	21 65	4 25	38 68	4,095 85	105 89
Realisations	9 85	14 18	133 45	7 45	164 93	15,668 80	95 00
Creditors	1 36	4 90	23 22	0 75	30 23	3,031 50	100 28
Fixed charge realisations	0 00	0 57	3 78	0 00	4 35	411 25	94 54
Total time	14 36	29 28	182 10	12 45	238 19	23,207 40	97 43

#### Disbursements

Faxes	3 00
Photocopying	5 50
Mailing Fee (Insolvency)	92 50
Archive Management (Insolvency)	244 78
Company Searches	12 00
Total disbursements	357 78
Amount from previous period(s)	53,520 58
<b>Grand Total</b>	<b>77,085.76</b>

N B For a more detailed explanation of the categories above please see the attached analysis

## **Appendix C**

### **ADDITIONAL INFORMATION IN RELATION TO LIQUIDATOR'S FEES**

#### **PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9 (SIP9)**

##### **Policy**

Detailed below is Milsted Langdon LLP's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

##### **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 and Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several Seniors/Assistants may be allocated to meet the demands of the case

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged

We have not utilised the services of any subcontractors in this case

##### **Professional advisors**

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis

<b>Name of Professional Advisor</b>	<b>Basis of Fee Arrangement</b>
Alan Spiller	Agreed fixed sum for the assistance in collection of book debts
Standish Associates (construction lawyers)	Conditional fee agreement

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them



## **Disbursements**

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred which relate to payments due to associated companies for the provision of services to the office holder. On this case the following costs have been incurred:

<b>Disbursement</b>	<b>Charge</b>
Archive storage	55p per box per week
Faxes	50p per sheet
Internal room hire for creditors' meetings	£70
Mailing fees (including postage) - Large	75p per mailed pack
Mailing fees (including postage) - Small	50p per mailed pack
Mileage	40p per mile
Photocopies	10p per sheet
Record boxes	£1.50 per box

## **Charge-out rates**

A schedule of Milsted Langdon LLP's charge-out rates was issued to creditors at the time the basis of the Liquidator's remuneration was approved. There have been no material increases in charge-out rates since that date.

	<b>(Per hour) £</b>
Partner	220-240
Managers and Administrators	84-168
Other administrative staff	28-63