

## 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

4103744

Name of Company

A & C Construction Limited

I / We

Lloyd Biscoe, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG

Wayne Macpherson, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG

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 12/02/2015 to 11/02/2016

Signed

Date

6/5/2016

Begbies Traynor (Central) LLP  
1st Floor  
24 High Street  
Whittlesford  
Cambridgeshire  
CB22 4LT

Ref AC076MVL/LCB/WM/CXW

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09/05/2016

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COMPANIES HOUSE

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## **A & C Construction Limited (In Members' Voluntary Liquidation)**

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Progress report

Period 12 February 2015 to 11 February 2016

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### **Important Notice**

This report has been produced solely to comply with our statutory duty to report to members of the Company pursuant to Section 92A of the Insolvency Act 1986. This report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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# 1 INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	A & C Construction Limited (In Members' Voluntary Liquidation)
"the liquidators", "we", "our" and "us"	Lloyd Biscoe of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Wayne Macpherson of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
preferential creditors	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

# 2 COMPANY INFORMATION

Trading name(s)	
Company registered number	4103744
Company registered office	The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
Former trading address	122 New London Road, Chelmsford, Essex, CM2 0RG

# 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	12 February 2015
Date of liquidators' appointment	12 February 2015
Changes in liquidator (if any)	None

## 4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 12 February 2015 to 11 February 2016

The sum of £218,018 20 has been realised in respect of the sale of 8 Van Diemens Lane, Chelmsford. This was originally omitted by the directors on the statutory declaration of solvency, however the relevant disclosure was made on the Company corporation tax return prior to the liquidation proceedings.

Book debts were collected in the sum of £79,918 61

Cash at bank of £42,215 05 was received from Barclays Bank

There was a vehicle tax refund of £75 00 and bank interest paid of £6 44

I have drawn my fixed fee of £3,000 plus VAT. I have also drawn my disbursements of £236 83 which are analysed in Appendix 3.

Accountants fees of £600 plus VAT were paid for assisting with the preparation of the declaration of solvency.

Corporation tax of £6,274 80 for the period 1 April 2014 to 11 February 2015 has been paid.

Fees of £30 00 for bank CHAPS transfer fees have been paid.

## 5. CREDITORS

As in any liquidation, in a members' voluntary liquidation creditors are required to prove their claims and the liquidators must examine the proofs and the particulars of the claims and admit them, in whole or in part, or reject them. The liquidators must then settle the priorities of the creditors (as between secured, preferential and unsecured creditors) before paying them in full with statutory interest.

The statement of assets and liabilities embodied within the declaration of solvency sworn by the director indicated that there were no outstanding creditors. We are continuing to seek clearance from HM Revenue & Customs that no further amounts are due in respect of PAYE and National Insurance, Corporation Tax and VAT.

## 6. DISTRIBUTIONS TO MEMBERS

The sum of £325,000 00 has been distributed to the shareholders. These payments have taxation implications and should be included on their tax returns for the relevant fiscal year.

## 7. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP, in attending to matters arising in the liquidation subject to us having agreed that our remuneration shall not exceed the sum of £3,000 in circumstances where the value of time given by us and our staff in attending to matters arising in the winding up exceeds this sum

We are also authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9 in accordance with our firm's policy, details of which were presented to the general meeting of the Company at which various resolutions, including the special resolution that the Company be wound up voluntarily, were passed

Our time costs for the period from 12 February 2015 to 11 February 2016 amount to £4,827.00 which represents 22.8 hours at an average rate of £211.71 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 12 February 2015 to 11 February 2016
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

To date, we have drawn the total sum of £3,000 plus disbursements of £236.83 on account

## 8. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

## 9. ASSETS THAT REMAIN TO BE REALISED

Further book debts maybe recoverable

## 10. MEMBERS' RIGHTS

### **Right to request further information**

Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a member or members of the Company with at least 5% of the voting total rights of all the members having the right to vote at general meetings of the Company (or any member or members with less than 5% of the total voting rights, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report

### **Right to make an application to Court**


Pursuant to Rule 4.148C of the Rules, within 8 weeks of receipt of this progress report any member or members of the Company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the Company (or any member, or members with less than 10% of the total voting rights, but with the permission of the Court) may make an application to court on the grounds that the

remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate

## 11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner



 Lloyd Biscoe  
Joint Liquidator

Dated 7 April 2016

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# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 12 February 2015 to 11 February 2016



**A & C Construction Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

Declaration of Solvency		From 12/02/2015 To 11/02/2016	From 12/02/2015 To 11/02/2016
ASSET REALISATIONS			
	Freehold Land & Property	218,018 20	218,018 20
100,000 00	Book Debts	79,918 61	79,918 61
40,041 91	Cash at Bank	42,215 05	42,215 05
	Vehicle Tax Refund	75 00	75 00
	Bank Interest Gross	6 44	6 44
		<u>340,233 30</u>	<u>340,233 30</u>
COST OF REALISATIONS			
	Office Holders Fees	3,000 00	3,000 00
	Office Holders Expenses	236 83	236 83
	Accountant Fees	600 00	600 00
	Corporation Tax	6,274 80	6,274 80
	Bank Charges	30 00	30 00
		<u>(10,141 63)</u>	<u>(10,141 63)</u>
DISTRIBUTIONS			
	Ordinary Shareholders	325,000 00	325,000 00
		<u>(325,000 00)</u>	<u>(325,000 00)</u>
<u>140,041.91</u>		<u>5,091.67</u>	<u>5,091 67</u>
REPRESENTED BY			
	Bank 1 Current		5,270 47
	Vat Payable		(178 80)
			<u>5,091 67</u>



PP Lloyd Biscoe  
Joint Liquidator

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## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP,'s policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP,'s charge-out rates,
- c Narrative summary of time costs incurred
- d Table of time spent and charge-out value for the period from 12 February 2015 to 11 February 2016

## BEGBIES TRAYNOR CHARGING POLICY

### INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance<sup>2</sup> requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### OFFICE HOLDERS' EXPENSES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 expenses (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 expenses (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors may be charged by some offices and is charged at the rate of £100 (London £150) per meeting. External meeting room usage is charged at cost.
- Car mileage is charged at the rate of 45 pence per mile.
- *Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements. The

following items of expenditure which relate to services provided by entities within the Begbies Traynor Group are to be charged to the case (subject to approval)

- Storage of books and records (when not rechargeable as a *Category 1 expense*) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are: Minimum charge of £40 per quarter for up to three boxes, Four to Two Hundred Boxes charged at £11 per quarter per box, over two hundred boxes are charged at half the aforementioned price, (£5.50 per box per quarter). Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited are required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required and at £15 per hour for each hour thereafter. All figures stated are net.

- BTG Asset Consulting may be engaged to undertake valuations and/or disposal of assets. BTG Asset Consulting is a part of Begbies Traynor Group plc and is therefore an associated company. Their charges are based on 15% of realisations or time costs at a Partner rate of £125 per hour and Manager rate of £100 per hour. A separate charge will be levied for any valuations to be provided at a fixed fee of £500 + VAT. Disbursements are charged at cost and mileage is recovered at 40p per mile. All figures stated are net of VAT.

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

### BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Southend-on-Sea office are as follows:

Grade of staff	From 01 May 2011	01 July 2008 to 01 May 2011
Partner	495	450
Partner 2	N/A	395
Director	395	375
Senior Manager	365	350
Manager	315	300
Assistant Manager	270	250
Senior Administrator	235	220
Administrator	185	180
Junior Administrator	160	150
Support	160	150

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff. Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) - Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)  
<sup>2</sup> Statement of Insolvency Practice 9 (SIP 9) - Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)

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## SUMMARY OF TIME COSTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case

**What work has been done in the period of the report, why was that work necessary and what has been the financial benefit (if any) to members?**

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow members to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to members

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached

### General case administration and planning

*We are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case*

### Compliance with the Insolvency Act, Rules and best practice

*We have a statutory duty to comply with the Insolvency Act and Rules. This includes statutory filing with Companies House and notices placed in the London Gazette. It also includes the issue of the final report*

### Dealing with all creditors' claims (including employees), correspondence and distributions

*The time charged to this code relates to correspondence with HMRC*

## **Time Costs Analysis**

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type. Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only

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## TABLE OF TIME SPENT AND CHARGE-OUT VALUE

Period 12 February 2015 to 11 February 2016

Staff Grade	Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning												0.00
							0.8			0.8	148.00	185.00
							0.8			0.8	148.00	185.00
Compliance with the Insolvency Act Rules and best practice												0.00
												0.00
							0.7			0.7	129.50	185.00
												0.00
												0.00
Investigations							0.7			0.7	129.50	185.00
												0.00
												0.00
												0.00
												0.00
Realisation of assets												0.00
												0.00
												0.00
												0.00
												0.00
Trading												0.00
												0.00
												0.00
												0.00
												0.00
Dealing with all creditors claims (including employees) correspondence and distributions												0.00
												0.00
												0.00
												0.00
												0.00
Other matters which includes meetings, tax, litigation pensions and travel												0.00
												0.00
												0.00
												0.00
												0.00
Total for Other matters							0.2			0.2	37.00	185.00
												0.00
												0.00
												0.00
												0.00
Total hours by staff grade							1.7			1.7		
							314.50				314.50	
Average hourly rate £							185.00		0.00			185.00
Total fees drawn to date £											3,000.00	

APPENDIX 3

## STATEMENT OF LIQUIDATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Statutory Advertising	The Stationery Office Limited	231 00	231 00	discharged
Legal swear fee	Kloosmans	5 83	5 83	discharged
Bonding	Insolvency Risk Services	112 05	-	112 05