

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 0 4 3 8 1 5 4 8

Company name in full A & D Construction & Scaffolding Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Kevin

Surname Lucas

3 Liquidator's address

Building name/number 2 Pacific Court

Street Atlantic Street

Post town Altrincham

County/Region Cheshire

Postcode W A 1 4 5 B J

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.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report											
From date	^d 1	^d 0	^m 1	^m 0	^y 2	^y 0	^y 1	^y 9				
To date	^d 0	^d 9	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0				
7	Progress report											
	<input checked="" type="checkbox"/> The progress report is attached											
8	Sign and date											
Liquidator's signature	<div>Signature</div> <div>  </div>											
Signature date	^d 2	^d 6	^m 0	^m 1	^y 2	^y 0	^y 2	^y 1				

**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 **Stephen Lancaster**

Company name **Lucas Ross Limited**

Address
Stanmore House
64-68 Blackburn Street

Post town **Radcliffe**

County/Region **Manchester**

Postcode **M 2 6 2 J S**

Country

DX

Telephone

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

A & D CONSTRUCTION & SCAFFOLDING LIMITED - IN LIQUIDATION

**Liquidator's Sixth Annual Progress Report pursuant to Section 104A of the Insolvency Act 1986
For the period from 10 October 2019 to 9 October 2020**

**A & D CONSTRUCTION & SCAFFOLDING LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 10 October 2019 to 9 October 2020**

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**A & D CONSTRUCTION & SCAFFOLDING LIMITED - IN LIQUIDATION
FOR THE PERIOD FROM 10 October 2019 to 9 October 2020**

1. STATUTORY INFORMATION

Commencement of Liquidation:	10 October 2014
Date of appointment of Liquidator:	10 October 2014
Name(s) of Liquidator(s):	Kevin Lucas of Lucas Johnson Limited 2 Pacific Court, Pacific Road, Atlantic Street, Altrincham, Cheshire , WA14 5BJ
Date of Appointment:	10 October 2014
Company Name:	A & D Construction & Scaffolding Limited ("the Company")
Trading Styles:	
Registered Number:	04381548
Registered Office:	2 Pacific Court, Pacific Road, Atlantic Street, Altrincham, Cheshire, WA14 5BJ
Changes in Office Holder:	N/A

2. INTRODUCTION

- 2.1 A resolution to wind up the above Company was passed on 10 October 2014, when Kevin Lucas was appointed Liquidator.
- 2.2 This is the sixth annual progress report to creditors and covers the period from 10 October 2019 to 9 October 2020 and is issued pursuant to Section 104A of the Insolvency Act to provide creditors with an update on the progress of the liquidation. This report should be read in conjunction with any previous reports.
- 2.3 References in this report to rules and sections are, unless expressly provided otherwise, respectively references to the rules of the Insolvency (England & Wales) Rules 2016 and to sections of the Insolvency Act 1986.

3. PROGRESS OF THE LIQUIDATION DURING THE REPORTING PERIOD

Investigations

- 3.1 As disclosed in previous progress reports, investigations into certain Company transactions prior to the liquidation remained ongoing. So as not to prejudice the position and any likely benefit to the liquidation; details of these investigations were kept confidential.
- 3.2 Matters had become protracted owing to a lack of books and records and overall effluxion of time. With the issue of potential limitation approaching, the solicitors already instructed had formed the view that the outcome of issuing litigation, with limited funds in the case, was extremely uncertain.

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- 3.3 Despite this feedback, the Liquidator remained of the opinion there were good reasons to continue with the investigations. As an alternative to abandoning the matter, the Liquidator investigated the possibility of selling the claim. Consequently, a litigation funder was approached with a view to purchasing the claim as a potentially better route to a potential realisation than the uncertainties of the Liquidator issuing litigation proceedings himself.
- 3.4 At the conclusion of the reporting period, the Liquidator agreed terms with a litigation funder - Henderson & Jones Limited. The terms initially agreed were payment of a nominal £1 plus 40% of the proceeds of any asset realisations.
- 3.5 The Liquidator is of the opinion this action represents a better prospect of realising funds into the liquidation, without incurring the litigation risk, having considered the overall age of the case.
- 3.6 The liquidation will now remain open until the conclusion of any litigation by Henderson & Jones Limited.

Future Actions

- 3.7 As outlined above, a litigation funder has agreed terms with the Liquidator to purchase the claim and a further update will be provided in the next report.

4. RECEIPTS AND PAYMENTS ACCOUNT

- 4.1 A Receipts and Payments Account for the period is attached at Appendix 1.

5. LIQUIDATOR'S REMUNERATION, DISBURSEMENTS AND EXPENSES

Remuneration

- 5.1 The basis upon which the Liquidator charges remuneration was agreed by creditors at the meeting held pursuant to Section 98 of the Insolvency Act on 10 October 2014. Creditors agreed that the Liquidator could draw remuneration based on the time spent by him and his staff in attending to matters arising in the Liquidation, plus VAT and disbursements.
- 5.2 The Liquidator's time costs for the period 10 October 2019 to 9 October 2020 are £4,410 and are shown in more detail in Appendix 2. This represents 19.5 hours at an average hourly rate of £226. Time has been mainly spent on Admin & Planning and Investigations; below is further guidance on the work involved for each category where time has been recorded:

Category	Description of work undertaken
Admin & Planning	Work done has related to statutory and compliance matters relating to the liquidation; including statutory filing, preparation and distribution of the fifth progress report, dealing with tax and cashiering formalities, case reviews and all other internal matters in connection to the case.
Realisation of Assets	Liaising with an independent legal specialist dealing with litigation funders, provision of information, and preliminarily agreeing terms.
Creditors	Dealing with a routine enquiry.
Investigations	Review of matters generally and discussions with solicitors as to the merits of issuing litigation and the uncertainty of doing so given the age and circumstances of the case.

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5.3 The Liquidator's total time costs to date since the commencement of the Liquidation are £63,863. This represents 271 hours at an average hourly rate of £237.

5.4 The Liquidator has drawn a total of £14,000 in the liquidation to date; including £1,000 drawn in the reporting period.

Disbursements

5.5 Disbursements incurred by the Liquidator are split into two categories:

- Category 1 disbursements are items of specific expenditure that are directly related to the case, where exact costs can be ascertained and recharged without profit, and are usually referable to an independent external supplier's invoice.
- Category 2 disbursements are additional items of incidental expenditure that relate to the estate but are either not directly attributable, or include an element of shared or allocated cost and which are based on a reasonable method of calculation. These have been previously approved at the meeting of creditors.

5.6 No Category 1 disbursements have been incurred or recharged in the period.

5.7 Category 1 disbursements incurred and recharged cumulatively are shown below:

Disbursement Incurred	Name of provider	Balance b/fwd (£)	Amount incurred (£)	Amount recharged (£)	Balance Outstanding (£)
Statutory Advertising	The Stationery Office	-	110.44	110.44	-
Specific Bond	AUA Insolvency Risk Services	-	144.00	144.00	-
Search Fees	DVLA	-	75.00	75.00	-
Travel (at cost)	Midland Expressway (M6 Toll)	-	9.16	9.16	-
Search fees	Companies House	-	20.00	20.00	-
Total			358.60	358.60	

5.8 Category 2 disbursements, where any have been incurred in the period, are shown at Appendix 2. As required by Statement of Insolvency Practice Number 9, a schedule of the Liquidator's charge out rates and disbursement charging policies is shown at Appendix 3.

5.9 During the period no Category 2 disbursements have been drawn.

5.10 A copy of 'A Creditors' Guide to Liquidators' Fees' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set is available at <http://www.lucasjohnson.co.uk/downloads/fee-guides/>. Alternatively, if you require a hard copy of the Guide, please contact the Liquidator's office.

Expenses

5.11 No Liquidator's expenses have been incurred or paid during the reporting period.

5.12 Liquidator's expenses incurred cumulatively are shown below:

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Expense Incurred	Name of provider	Balance b/fwd (£)	Amount incurred (£)	Amount discharged (£)	Balance Outstanding (£)
Legal Fees	Knights Solicitors (formerly Turner Parkinson).	See note below		1,500	See note below
Total					

- 5.13 Knights Solicitors (formerly Turner Parkinson) were engaged to assist the Liquidator with the legal formalities of the liquidation. In December 2019, they confirmed that they previously advised their historical work-in-progress on the matter was circa £16,000 but had spent no time on the case in the preceding 12 months. Given the age of the matter no ongoing instructions were provided in the review period and Knights Solicitors agreed to cease acting given the age and uncertainty of issuing litigation. A separate firm, Freeths LLP, were approached to initially assess the case and they recommended the Liquidator either seeks to sell the claim where possible or abandons the matter and closes the case. No fees have been incurred by Freeths LLP.

6. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

Outcome for Secured Creditors

- 6.1 The Statement of Affairs ("S of A") did not disclose any secured creditors. However, an examination of the charges register at Companies House revealed a fixed and floating charge in favour of National Westminster Bank ("Nat West") plc dated 05 July 2005. However, the Liquidator was informed there was no debt owed to Nat West and no claim has been received from them to date.

Outcome for Preferential Creditors

- 6.2 There are no preferential creditors in this matter.

Prescribed Part pursuant to Section 176A of the Act

- 6.3 Under Section 176A of the Act a Liquidator is required to set aside a proportion of the realisations for unsecured creditors where there is a secured creditor who holds a qualifying floating charge created on or after 15 September 2003. This is known as the Prescribed Part.

- 6.4 The prescribed part of a company's net property is calculated as follows:

- 50% of the first £10,000 of net property;
- 20% of net property thereafter;
- to a maximum amount to be made available of £600,000

- 6.5 However, a Liquidator is not required to set aside the prescribed part if:

- the net property is less than £10,000 and the Liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- the Liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

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- 6.6 Although there is a qualifying floating charge registered at Companies House dated 05 July 2005 in favour of Nat West, as it is believed nothing is owed to them the Prescribed Part under Section 176A of the Act does not apply in this case.

Outcome for Unsecured Creditors

- 6.5 The S of A detailed unsecured creditors of £164,900. As at the date of this report, claims totalling £331,082 have been received from unsecured creditors. The reason for the difference is that a higher claim from H M Revenue & Customs was than originally anticipated was received.
- 6.6 At this stage it is not possible to confirm whether or not it is likely that there will be funds available to distribute to unsecured creditors. The prospects of a dividend depend entirely on the outcome of the ongoing investigations as explained above. If/when adequate funds for a distribution become available creditors will be notified separately.

Creditors' rights

- 6.7 In accordance with Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors or the permission of the court, may, where it is believed the basis or quantum of remuneration or expenses charged by the Liquidator are, in all the circumstances, excessive or inappropriate, apply to the court within the prescribed period for an order adjusting the remuneration or expenses.
- 6.8 In accordance with Rule 18.9 of the Rules a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors or the permission of the court has the right to make a request in writing to the Liquidator for further information about remuneration or expenses set out in this progress report. If no response is received within 14 days any creditor has the right to apply to court within the subsequent 21 day period for the court to make such order as it thinks just.

Next Report to Creditors

- 6.9 The next report to creditors will be sent out to creditors following the next anniversary of the Liquidation or the conclusion of the winding up, whichever may be sooner.

Kevin Lucas
Liquidator

12 November 2020

APPENDIX 1 – RECEIPTS AND PAYMENTS ACCOUNT

A & D CONSTRUCTION & SCAFFOLDING LIMITED - IN LIQUIDATION

A & D Construction & Scaffolding Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 10/10/2019 To 09/10/2020 £	From 10/10/2014 To 09/10/2020 £
	ASSET REALISATIONS		
	Bank Interest Gross	NIL	37.27
24,680.00	Book Debts	NIL	NIL
	Cash at Bank	NIL	18,666.90
	Contribution to Costs	NIL	1,300.00
3,500.00	Motor Vehicles	NIL	3,500.00
		NIL	23,504.17
	COST OF REALISATIONS		
	Insurance	NIL	500.00
	Legal fees	NIL	1,000.00
	Liquidators Disbursements	NIL	727.60
	Liquidators Fees	1,000.00	14,000.00
	Petitioners Costs	NIL	920.00
	Specific Bond	NIL	144.00
	Statement of Affairs Fee	NIL	5,500.00
	Stationery & Postage	NIL	100.00
		(1,000.00)	(22,891.60)
	UNSECURED CREDITORS		
(30,000.00)	A S Humphreys	NIL	NIL
(30,000.00)	D C Humphreys	NIL	NIL
(65,000.00)	HM Revenue & Customs - PAYE/NIC	NIL	NIL
(39,900.00)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(136,820.00)		(1,000.00)	612.57
	REPRESENTED BY		
	Bank 1 Current		412.57
	Vat Receivable		200.00
			612.57

APPENDIX 2 – SIP 9 TIME ANALYSIS AND CATEGORY 2 DISBURSEMENTS

A & D CONSTRUCTION & SCAFFOLDING LIMITED - IN LIQUIDATION

Time Entry - SIP9 Time & Cost Summary

A0022 - A & D Construction & Scaffolding Limited
All Post Appointment Project Codes
From: 10/10/2019 To: 09/10/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	1.50	8.10	0.00	4.10	13.70	2,960.00	216.06
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.50	0.00	0.00	0.50	125.00	250.00
Investigations	0.00	3.90	0.00	0.00	3.90	975.00	250.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	1.40	0.00	0.00	1.40	350.00	250.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	1.50	13.90	0.00	4.10	19.50	4,410.00	226.15
Total Fees Claimed						1,000.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

All Disbursements (Grouped By Analysis Code)

A0022 - A & D Construction & Scaffolding Limited
From: 10/10/2019 To: 09/10/2020

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Disbursement Description / Analysis Codes	Disbursement Category	Amount
Photocopying and Stationery: (PHOCOPY :)	Category 2	70.00
	Total	70.00

Time Entry - SIP9 Time & Cost Summary

A0022 - A & D Construction & Scaffolding Limited
All Post Appointment Project Codes
From: 10/10/2014 To: 09/10/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	13.00	10.30	34.70	35.10	93.10	16,860.00	181.10
Case Specific Matters	0.00	0.00	4.00	0.00	4.00	700.00	175.00
Creditors	6.00	0.50	0.80	0.00	7.30	2,065.00	282.88
Investigations	86.30	20.20	26.23	4.00	136.73	36,432.75	266.46
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	18.40	1.40	10.00	0.00	29.80	7,805.00	261.91
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	123.70	32.40	75.73	39.10	270.93	63,862.75	235.72
Total Fees Claimed						14,000.00	
Total Disbursements Claimed						506.38	

Time Entry - SIP9 Time & Cost Summary

All Disbursements (Grouped By Analysis Code)

A0022 - A & D Construction & Scaffolding Limited
From: 10/10/2014 To: 09/10/2020

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Disbursement Description / Analysis Codes	Disbursement Category	Amount
Statutory Advertising: (ADVE :)	Category 1	55.22
Companies House Search: (CO SEARCH :)	Category 1	17.00
Professional Fees: (PROF :)	Category 1	75.00
Travel: (TRAV :)	Category 1	9.16
Photocopying and Stationery: (PHOCOPY :)	Category 2	350.00
Stationery: (STAT :)	Category 2	70.00
	Total	576.38

APPENDIX 3 – OFFICE HOLDER’S FEES AND DISBURSEMENTS POLICY

Fees based on Time Properly Given and the Estimation of Fees

Each member of staff involved with the case will time charge on an individual basis. The hourly cost of each member of staff shall be calculated in accordance with their experience and resultant grade within the practice.

Recording of Fees

Time is formally recorded in prescribed categories in units of 6 minutes. All units of time properly spent, shall be recorded on a formal time management system and retained throughout appointment, irrespective of the basis of fees.

Charge Out Rates

A table of current hourly charge out rates is provided below:

Charges for usual cases	(£)
Partner/Director/Consultant	350
Manager/Senior Manager	250-275
Assistant Manager	225
Administrator/Senior Administrator	150-200
Cashier(#)	100
Junior and Support Staff	100

A table of hourly charge out rates prior to 31 December 2015 is provided below:

Charges for usual cases	(£)
Partner/Director/Consultant	300
Manager/Senior Manager	200-250
Assistant Manager	190
Administrator/Senior Administrator	125-175
Cashier(#)	75
Junior and Support Staff	75

(#) Please note that time charged by our cashiers relates only to accounting matters relevant to the case.

The basis upon which the Office Holder determines the appropriate charge out rate on the complexity of the case is detailed in the respective independent creditors’ guides to fees, available to download from our company website or by email from this office.

The Office Holder reserves the right to uplift both the hourly rates and category 2 disbursements periodically without further recourse to the creditors. By law, such increases must be disclosed to creditors within each statutory report. Where such increases affect the total fees incurred and take these over the totality of any fee resolution proposed previously, an additional fee resolution will be sent to creditors for their consideration.

Support Staff

In an effort to minimise costs to the case, it is necessary to use support staff to undertake certain matters. Support staff time is charged in the same manner as technical staff on the rates outlined above.

VAT

Services provided by Insolvency practitioners are subject to VAT, except when acting as Nominee or Supervisor of an estate.

Our fees will be subject to VAT at the appropriate rate.

Where the case is not registered for VAT, VAT shall be shown as an irrecoverable expense of the estate.

Expenses and Disbursements

Every case dealt with will incur expenses in addition to fees. These expenses will often also be referred to as disbursements.

Expenses will cover a number of areas, such as advertising, insolvency practitioner insurance and legal fees.

Where the Office Holder or his firm pays these out of their own funds (e.g. the firm's office account) these will be classed as Disbursements. The Office Holder is required to explain the amount and nature of such disbursements whenever a formal abstract of accounts is produced.

Regulations require that we separate Category 1 and 2 disbursements for your information. An explanation of which is as follows:

Category 1 Disbursements:

Category 1 disbursements are expenses directly attributable to the case, where exact costs can be ascertained and recharged without profit. These can, but are not limited to, include insolvency bonds, advertising, company searches, post redirection orders, postage, external room hire, external storage as well as public transport and accommodation costs incurred by staff whilst attending to the administration of the estate.

Category 2 Disbursements

Category 2 disbursements are additional overheads that relate to the estate but are either not directly attributable to it, or the exact cost is not ascertainable and therefore cannot be precisely recharged. These expenses include, inter alia, stationery, photocopying and storage costs.

Any authorised category 2 disbursements which have been charged shall be shown in the statutory abstract of accounts.

The following is a current schedule of category 2 disbursements which may (*) be charged by Lucas Johnson

- Mileage shall be recharged at 50pence per mile;
- Storage of books and records at £30 per box per annum;
- Fixed charge to cover all and any circulars/correspondence at £10 per relevant party (creditors, employees, directors, members) per annum;
- Internal meeting room (where required) charged at £50 per hour or part thereof.

(*) Lucas Johnson does not ordinarily recover all category 2 disbursements, but reserves the right to do so, where such disbursements are substantial and appropriate sanction has been obtained.

The following items of expenditure will normally be treated as general office overheads by the Office Holder and will not be charged to the case:

- Telephone and facsimile;
- Printing and photocopying;
- Stationery;
- Email addresses or telephone numbers set up and used exclusively for the case;

Code of Ethics

I am required to advise that I am bound by the Code of Ethics of my regulator, ICAEW. The Code of Ethics can be located directly from the ICAEW at <https://www.icaew.com/membership/regulations-standards-and-guidance/ethics/code-of-ethics-d>