

Liquidator's Progress Report**Pursuant to Sections 92A, 104A and 192 of the
Insolvency Act 1986****S.192**

To the Registrar of Companies

Company Number

05019819

Name of Company

(a) Insert full name
of company

(a) C & W Roofing Services Limited

(b) Insert full name(s)
and address(es)

We (b)

Steven Law

RSM Restructuring Advisory LLP

Abbotsgate House

Hollow Road

Bury St Edmunds IP32 7FA

and Nigel Millar

RSM Restructuring Advisory LLP

Abbotsgate House

Hollow Road

Bury St Edmunds IP32 7FA

the liquidator(s) of the company attach a copy of my/our Progress Report
under section 192 of the Insolvency Act 1986The Progress Report covers the period from 15 September 2015
to 14 September 2016

Signed

Date

11/11/16

Presenter's name,
address and
reference
(if any)RSM Restructuring Advisory LLP, Abbotsgate House, Hollow Road, Bury
St Edmunds, Suffolk IP32 7FA

Ref SL/KH/1064414



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COMPANIES HOUSE

In the matter of

**C & W Roofing Services Limited, in Creditors Voluntary Liquidation
(‘the Company’)**

Joint Liquidators’ progress report

11 November 2016

**Steven Law and Nigel Millar
Joint Liquidators**

RSM Restructuring Advisory LLP

**Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk IP32 7FA**

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1 Purpose of report

This report has been prepared in accordance with insolvency legislation to provide creditors, members and the registrar of companies with information relating to the progress of the liquidation in the period from 15 September 2015 to 14 September 2016. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of Section 104A of the Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986 (as amended). It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

Neither the Liquidators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

2 Progress of the liquidation in the previous twelve months

2.1 Realisation of assets

2.1.1 Bank Interest Gross

Interest of £3,023 has been earned on the funds held on the liquidation account in the year 15 September 2015 to 14 September 2016. Total gross bank interest of £3,250 has been received since the commencement of the liquidation.

2.1.2 Debtors

As previously advised, it was anticipated that c £340,508 would be recoverable.

Following a review of the ledger on our appointment, the following matters came to light:

- additional debts of £4,485 were noted
- £13,675 had been paid prior to the liquidation
- Debts totalling £1,838 have been set off against amounts owed to the debtors on the Company's creditor's ledger
- Further debts totalling £109,437 are considered irrecoverable
- The irrecoverable debts are due to the liquidation of these debtors, or set off relating to costs incurred in rectifying defects on the Company's works

As previously stated there was one large disputed contract debt of £171,399, which the Joint Liquidators instructed independent agents, Taylor Consulting to assist in the collection of. A settlement of £104,000 was agreed, to be paid by way of five instalments of £20,800. In the period, the final two instalments have been paid, totalling £41,600.

Prettys Solicitors have been instructed to assist in the collection of the remaining book debts and during the period £1,879 has been recovered. During the course of the liquidation £240,246 has been collected.

2.1.3 Retentions

As previously stated, retentions totalling £154,274 (including VAT) have fallen due and had not been included in the director's Statement of Affairs. During the period £17,629 has been recovered resulting in a total of £79,368 plus VAT being collected.

The sum of £20,865 is considered to be irrecoverable due to the liquidation of the debtors or the costs incurred due to defects on the contracts. Solicitors have been instructed to assist in the collection of the remaining retention and this will be further reported on.

2.1.4 Potential claim for compensation for mis-selling of interest rate hedging product

As you may be aware, a settlement agreement was recently reached between the Financial Conduct Authority ("FCA") and certain major banks, including Barclays Bank Plc in relation to the sale of interest rate hedging products. We are currently investigating whether or not the company was sold a relevant Interest Rate Hedging Product, and whether there is an entitlement to redress whether inside the framework of the FCA settlement, or otherwise.

We are aware that a number of banks are in the process of developing a methodology to implement the terms of the settlement reached with the FCA in respect of the sale of these products. Our understanding is that this process will take several months to refine and finalise and, until such time, our own investigations cannot be completed. However, it should be noted that there has not, as yet, been any clarification as to how any such compensation would be treated and thus which creditors would have priority. The Joint Liquidators are therefore at present unable to ascertain whether any such funds would therefore be available for creditors.

2.2 Investigations

In accordance with our statutory obligations, we have filed the appropriate documentation with the Department for Business, Innovation and Skills in relation to the conduct of the directors.

2.3 Administration and planning

The matters attended to during the proceedings to date include the following:

- Statutory appointment duties
- Case planning and strategy
- Dealing with the Company's books and records
- Reporting to creditors in relation to our appointment
- Liaising with HM Revenue and Customs in relation to the Company's tax affairs
- Cashiering duties

3 Matters preventing closure

3.1 Assets remaining to be realised

As set out above, the Joint Liquidators are continuing their efforts to collect the remaining book debts and retentions owed to the Company.

3.2 Other outstanding matters

As detailed below negotiations with HMRC are still on going with regards to the quantum of their outstanding claim.

4 Creditors' claims and dividend prospects

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix A, including any amount under the prescribed part. Please note that these are indicative only and should not be used as the sole or principal basis for any bad debt provision or other purposes. They may be subject to revision and additional costs.

The agreement of creditors' claims by the Joint Liquidators is a separate matter and will be dealt with as appropriate in due course, initially by reference to the proofs of debt lodged in the proceedings by creditors themselves.

4.1 Secured Creditor

Barclays Bank Plc hold a fixed and floating charge over the assets of the Company, however at the date of our appointment they were not owed any monies and therefore have not submitted a claim in the Liquidation

4.2 Preferential Creditors

The Company's employees were transferred to C&W Industrial Roofing Services Limited in accordance with the Transfer of Undertakings (Protection of Employment) Regulations 2006, prior to the liquidation. We therefore did not anticipate that there would be any preferential claims for arrears of wages or holiday and I confirm that to date, no such claims have been received.

4.3 Unsecured Creditors

In accordance with the directors' Statement of Affairs, unsecured claims were anticipated to be in the region of £306,785, against which claims totalling £5,254,215 have been received.

The claims received include one from HM Revenue and Customs of £5m in relation to their stance on the Company's use of high level tax planning opportunities, along with their usual claims for PAYE, VAT and Corporation Tax. We have been advised that HM Revenue and Customs' investigations into the Company's use of tax planning schemes are ongoing and we remain in discussion with them in relation to the agreement of a sum due to them in due course. It is anticipated that this may become a protracted process and it may be necessary to seek direction from the Court in relation to the agreement of this claim. The director and his advisors assert that, other than the tax due for the final period of trading, they do not consider that any other liability will arise as a result of the tax planning scheme undertaken by the Company.

As initially advised, it is anticipated that there will be sufficient funds to enable a return to unsecured creditors and this will be dealt with by the Joint Liquidators as soon as all claims have been formally adjudicated, in particular the claim from HM Revenue and Customs. We are however unable to quantify the amount or timing of a distribution at this time.

4.4 Prescribed Part

The "Prescribed Part" is a statutory amount, calculated as a percentage of net floating charge realisations, which entitles unsecured creditors to a share of realisations. This is calculated on a sliding scale up to a maximum of £600,000 before costs.

Whilst there are creditors secured by fixed and qualifying floating charges over the assets and undertaking of the Company, these creditors were not owed any monies at the date of the liquidation and therefore will receive no recovery under their floating charges. There is therefore no requirement to estimate the amount of the Prescribed Part of the assets under Section 176A of the Insolvency Act 1986 (as amended).

5 Receipts and payments summary

We attach as Appendix B a summary of our receipts and payments for the period from 15 September 2015 to 14 September 2016.

VAT basis

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

6 Costs and Joint Liquidators' remuneration

6.1 Joint Liquidators' remuneration and disbursements

The Joint Liquidators' remuneration was approved on a time cost basis by creditors on 15 September 2014. We have incurred time costs of £88,394 since the date of our appointment. Of this, a total of £84,895 (plus VAT) has been paid and £3,499 remains outstanding.

Approval was also given to the drawing of disbursements, including category 2 disbursements. Details of the current rates are attached at Appendix D.

6.2 Remuneration and disbursements incurred in the period from 15 September 2015 to 14 September 2016

We have incurred time costs of £23,633 in the current period. An analysis of time incurred in the period is attached at Appendix G. Details of the sums drawn in respect of remuneration in the period covered by the report are shown on the receipts and payments account (Appendix B).

Category 2 disbursements incurred in the period are detailed in Appendix E.

7 Joint Liquidators' statement of expenses

7.1 Statement of expenses

A statement of the expenses incurred during the period, is attached at Appendix F. This includes all expenses incurred by the Joint Liquidators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period.

At the Section 98 meeting on 15 September 2014 creditors approved the Statement of Affairs fee in the sum of £1,500 plus VAT to be paid to Richard Edwards Group LLP and the Meeting of Creditors fee in the sum of £5,500 plus VAT to be paid to RSM Restructuring Advisory LLP. These fees have been paid.

7.2 Detailed cost breakdown

Attached to this report are five Appendices relating to my costs on this assignment:

- Appendix C RSM Restructuring Advisory LLP's charging, expenses and disbursements policy statement
- Appendix D Joint Liquidators' charge out and disbursement rates
- Appendix E Category 2 disbursements table
- Appendix F Statement of expenses incurred in the period
- Appendix G Joint Liquidators' time cost analysis

The work that we do as Joint Liquidators is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature in general. The actual matters with which we are dealing are set out briefly in both this report and in our earlier reports to creditors.

We believe this case generally to be of average complexity with the exception of the investigation and legal advice required in relation to the pre appointment transactions, and the ongoing correspondence with HM Revenue and Customs in relation to their claim, and otherwise no extraordinary responsibility has to date fallen upon us as Joint Liquidators. The underlying basis of charging proposed to and approved by the creditors has been RSM Restructuring Advisory LLP standard charge out rates. RSM Restructuring Advisory LLP charge out rates have been reviewed periodically.

7.3 Other professional costs

Prettys Solicitors have been retained as debt collectors. We have agreed their costs at 30% plus VAT on all book debts collected up to £20,000, reducing to 20% plus VAT thereafter. Their fees during the period of £5,680 have been paid.

Taylor Consulting were retained to assist with the agreement and recovery of the largest disputed debt. Their costs were agreed at 15% of the agreed settlement value of this debt, to be paid proportionately against the instalment payments received from the debtor. During the period they received £7,800 in fees. Their total fees of £13,250 have been paid.

8 Creditors' right to information and ability to challenge remuneration and expenses

In accordance with the provisions of Rules 4.49E and 4.131 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive.

A Guide to Liquidators Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at <http://rsm.insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

Should you have any further queries please do not hesitate to contact me.



Steven Law
RSM Restructuring Advisory LLP
Joint Liquidator

Steven Law and Nigel Millar are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales.

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

Appendix A

Statutory, dividend and other information

| | |
|-----------------------|--|
| Company name | C & W Roofing Services Limited |
| Joint Liquidators | Steven Law and Nigel Millar |
| Date of appointment | 15 September 2014 |
| Company number | 05019819 |
| Date of incorporation | 19 January 2004 |
| Trading name | none |
| Trading address | Langham Barns Business Centre Langham Lane Langham Colchester Essex CO4 5ZS |
| Principal activity | Roofing Activities |
| Registered office | RSM Restructuring Advisory LLP Abbotsgate House Hollow Road Bury St Edmunds Suffolk IP32 7FA Previously The Maltings Rosemary Lane Halstead Essex CO9 1HZ |

| Dividend prospects | Owed | Paid to date | Estimated future prospects |
|---|------------|--------------|----------------------------|
| Barclays Bank Plc | N/A | N/A | |
| Preferential creditors | N/A | NIL | NIL |
| Unsecured creditors | £5,254,215 | NIL | not known |
| Estimated net property | N/A | | |
| Estimated prescribed part available for unsecured creditors | N/A | | |

Appendix B

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

FOR THE PERIOD FROM 15 SEPTEMBER 2015 TO 14 SEPTEMBER 2016

| SOA Value £ | 15/09/2015 to 14/09/2016 | | Total to 14/09/2016 | |
|-----------------------------|-------------------------------------|-------------|---------------------|--------------|
| | £ | £ | £ | £ |
| ASSET REALISATIONS | | | | |
| 0 00 | Bank Interest Gross | 3,022 90 | | 3,249 70 |
| 78,927 92 | C & W Industrial Roofing Services | 0 00 | | 78,927 92 |
| 119,417 89 | Cash at Bank | 0 00 | | 113,910 17 |
| 340,508 01 | Debtors (Pre-Appointment) | 43,478 90 | | 240,246 18 |
| 41,846 85 | Directors Loan Accounts | 0 00 | | 41,846 45 |
| 0 00 | Goodwill | 0 00 | | 15,000 00 |
| 0 00 | Retentions | 17,629 47 | | 79,368 25 |
| | | | 64,131 27 | 572,548 67 |
| COST OF REALISATIONS | | | | |
| 0 00 | Accounting Fees | 0 00 | | (873 10) |
| 0 00 | Agents / Valuers Fees | 0 00 | | (5,000 00) |
| 0 00 | Company Searches | 0 00 | | (8 00) |
| 0 00 | Corporation Tax | (3,045 40) | | (3,045 40) |
| 0 00 | Counsel Fees | 0 00 | | (1,515 00) |
| 0 00 | Debt Collection Fees | (13,480 44) | | (18,930 44) |
| 0 00 | Joint Liquidators' Remuneration | (26,223 12) | | (84,895 82) |
| 0 00 | Legal Disbursements | 0 00 | | (2 00) |
| 0 00 | Legal Fees | 0 00 | | (7,868 00) |
| 0 00 | Mileage | (22 95) | | (81 60) |
| 0 00 | Postage | (18 36) | | (87 58) |
| 0 00 | Pre Appointment Fees | 0 00 | | (5,500 00) |
| 0 00 | Preparation of Statement of Affairs | 0 00 | | (1,500 00) |
| 0 00 | Specific Bond | 0 00 | | (85 00) |
| 0 00 | Statutory Advertising | 0 00 | | (253 80) |
| 0 00 | Sundry Refund to C&W Industrial | 0 00 | | (375 00) |
| 0 00 | Telephone & Fax | 0 00 | | (2 78) |
| | | | (42,790 27) | (130,023 52) |
| UNSECURED CREDITORS | | | | |
| (3,600 00) | Accountants | 0 00 | | 0 00 |
| (250 26) | Associated Creditors | 0 00 | | 0 00 |
| (301 66) | Banks/Institutions | 0 00 | | 0 00 |
| (138,707 86) | HM Revenue and Customs | 0 00 | | 0 00 |
| (163,925 00) | Trade and Expense Creditors | 0 00 | | 0 00 |
| | | | 0 00 | 0 00 |
| EQUITY | | | | |
| (80 00) | A Ordinary | 0 00 | | 0 00 |
| (20 00) | B Ordinary | 0 00 | | 0 00 |
| | | | 0 00 | 0 00 |
| 273,815 89 | | 21,341 00 | | 442,525 15 |
| REPRESENTED BY | | | | |
| | Bank - (BoS) - 120883 10024369 | | 440,437 08 | |
| | VAT Receivable (Payable) | | 2,088 07 | |
| | | | | 442,525 15 |
| | | | | 442,525 15 |

Appendix C

RSM Restructuring Advisory LLP

Charging, expenses and disbursements policy statement

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for RSM Restructuring Advisory LLP Bury St Edmunds are attached
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements
- A resolution to consider approving category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Bury St Edmunds will be proposed to the relevant approving party in accordance with the legislative requirements
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate

Appendix D

RSM Restructuring Advisory LLP

Joint Liquidators' current charge out and category 2 disbursement rates

| Hourly charge out rates | | |
|---------------------------------|----------------------------|--------------------|
| | Rates at commencement £ | Current rates £ |
| Partner | 370 | 395 |
| Directors / Associate Directors | 292 | 292 |
| Manager | 250 | 286 |
| Assistant Managers | 160-185 | 180-190 |
| Administrators | 155 | 100-170 |
| Support staff | 70 | 60-80 |

| Category 2 disbursement rates | |
|-------------------------------|---|
| Internal room hire | £100 |
| Subsistence | £25 per night (from 3 rd September 2013) |
| Travel (car) | 42 5p per mile (from 1 April 2011) |
| 'Tracker' searches | £10 per case |

Appendix E

Joint Liquidators' category 2 disbursements table

| Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest | | |
|---|-----------|-------------|
| Recipient, type and purpose | Paid £ | Unpaid £ |
| Mileage | 22 95 | Nil |
| | | |
| Total | 22 95 | Nil |

Appendix F

Statement of expenses incurred by the Joint Liquidators' in the period from 15 September 2015 to 14 September 2016

| Type and purpose | Incurred in period £ |
|---------------------|-------------------------|
| Corporation Tax | 3,045 40 |
| Debt Collection Fee | 13,480 44 |
| Postage | 18 36 |
| Mileage | 22 95 |
| | |
| Total | 16,567 15 |

Appendix G

Joint Liquidators' time cost analysis for the period from 15 September 2015 to 14 September 2016

Please note that we have re-designed our SIP9 analysis table to provide a more detailed analysis of the grades of staff within the firm. Please note that this change does not alter the value of time costs recorded, purely the column within the table to which that time, and cost, has been allocated

| Hours Spent | Partners | Directors / Associate Directors | Managers | Assistant Managers | Administrators | Assistants & Support Staff | Total Hours | Total Time Costs | Average Rates |
|--|--------------------|---------------------------------|-------------------|--------------------|-------------------|----------------------------|--------------------|--------------------|----------------|
| Administration and Planning | | | | | | | | | |
| Case Management | 37 | 06 | 06 | 62 | 47 | 02 | 160 | £ 3,208 30 | £200 52 |
| Director(s) | 00 | 02 | 00 | 05 | 00 | 00 | 07 | £ 140 90 | £201 29 |
| Receipts and Payments | 20 | 01 | 00 | 26 | 95 | 01 | 143 | £ 2,839 77 | £198 59 |
| Tax Matters | 38 | 04 | 10 | 71 | 57 | 00 | 180 | £ 3,565 80 | £198 10 |
| Total | 95 | 13 | 16 | 164 | 199 | 03 | 490 | £ 9,754 77 | £199 08 |
| Realisation of Assets | | | | | | | | | |
| Assets - general/other | 00 | 00 | 00 | 03 | 00 | 00 | 03 | £ 49 50 | £165 00 |
| Debtors & sales finance | 137 | 31 | 13 | 122 | 12 | 00 | 315 | £ 8,684 50 | £275 70 |
| Land and Property | 00 | 00 | 00 | 02 | 00 | 00 | 02 | £ 33 00 | £165 00 |
| Total | 137 | 31 | 13 | 127 | 12 | 00 | 320 | £ 8,767 00 | £273 97 |
| Creditors | | | | | | | | | |
| Employees | 00 | 00 | 02 | 01 | 00 | 00 | 03 | £ 55 50 | £185 00 |
| Other Creditor Meetings and Reports | 20 | 00 | 15 | 33 | 11 | 00 | 79 | £ 1,765 50 | £223 48 |
| Unsecured Creditors | 38 | 00 | 17 | 56 | 00 | 02 | 113 | £ 2,899 05 | £256 55 |
| Total | 58 | 00 | 34 | 90 | 11 | 02 | 195 | £ 4,720 05 | £242 05 |
| Case Specific Matters - Legal Matters | | | | | | | | | |
| Legal Matters | 03 | 00 | 07 | 05 | 00 | 00 | 15 | £ 391 30 | £260 87 |
| Total | 03 | 00 | 07 | 05 | 00 | 00 | 15 | £ 391 30 | £260 87 |
| Total Hours | 293 | 44 | 70 | 386 | 222 | 05 | 1020 | £ 23,633 12 | £231 70 |
| Total Time Cost | £ 11,366 00 | £ 1,284 80 | £ 1,747 00 | £ 6,728 50 | £ 2,469 50 | £ 37 32 | £ 23,633 12 | | |
| Average Rates | £387 92 | £292 00 | £249 57 | £174 31 | £111 24 | £74 64 | £231 70 | | |