

WU07

Notice of progress report in a winding-up by the court



Companies House

TUESDAY



A11 *A7E9ZEW1* 11/09/2018 #221
COMPANIES HOUSE

1 Company details

Company number 0 5 2 7 1 1 5 7
Company name in full P & R Construction Managers Limited

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

2 Liquidator's name

Full forename(s) Michael Robert
Surname Fortune

3 Liquidator's address

Building name/number 1580 Parkway
Street Solent Business Park
Post town Whiteley, Fareham
County/Region Hampshire
Postcode P O 1 5 7 A G
Country

4 Liquidator's name ●

Full forename(s) Carl Derek
Surname Faulds

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

5 Liquidator's address ●

Building name/number 1580 Parkway
Street Solent Business Park
Post town Whiteley, Fareham
County/Region Hampshire
Postcode P O 1 5 7 A G
Country

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

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6 Period of progress report

From date	^d 1	^d 2	^m 0	^m 7	^y 2	^y 0	^y 1	^y 7
To date	^d 1	^d 1	^m 0	^m 7	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 1	^d 0	^m 0	^m 9	^y 2	^y 0	^y 1	^y 8
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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 **Carl Derek Faulds**

Company name **Portland Business & Financial Solutions**

Address **1580 Parkway**
Solent Business Park

Post town **Whiteley, Fareham**

County/Region **Hampshire**

Postcode **P O 1 5 7 A G**

Country

DX

Telephone **01489 550 440**



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

P & R Construction Managers Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 12/07/2017 To 11/07/2018 £	From 12/07/2017 To 11/07/2018 £
	ASSET REALISATIONS		
1,600.00	Petition deposit	1,600.00	1,600.00
4,000.00	Cash at bank	567.74	567.74
Uncertain	Book debts	NIL	NIL
Uncertain	VAT refund	NIL	NIL
Uncertain	Insurance policy refunds	13,560.17	13,560.17
181,267.00	Cash in client account	181,267.39	181,267.39
	Insurance refund	125.00	125.00
	ISA interest	487.13	487.13
		<u>197,607.43</u>	<u>197,607.43</u>
	COST OF REALISATIONS		
	Official Receiver's general fee	6,000.00	6,000.00
	Official Receiver's administration fee	5,000.00	5,000.00
	ISA banking fees	0.75	0.75
	ISA banking fees	88.00	88.00
	Petitioners deposit	1,600.00	1,600.00
	Petitioners costs	2,224.60	2,224.60
	Specific bond	660.00	660.00
	Joint liquidators' remuneration	17,000.00	17,000.00
	Joint liquidators' disbursements	357.57	357.57
	Corporation tax	97.42	97.42
	Storage costs	2.94	2.94
	Courier fee	127.05	127.05
	Advertising in London Gazette	74.50	74.50
		<u>(33,232.83)</u>	<u>(33,232.83)</u>
	UNSECURED CREDITORS		
(294,705.00)	Trade and expense creditors	NIL	NIL
(25,666.00)	Corporation tax	NIL	NIL
(70,029.00)	Construction Industry Scheme	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(203,533.00)		<u>164,374.60</u>	<u>164,374.60</u>
	REPRESENTED BY		
	VAT receivable		3,644.41
	ISA NIB		160,730.19
			<u>164,374.60</u>



Carl Derek Faulds
Joint Liquidator



1580 Parkway
Solent Business Park
Whiteley
Fareham
Hampshire
PO15 7AG

Telephone: 01489 550 440

Fax: 01489 550 499

Email: post@portbfs.co.uk

Web: www.portbfs.co.uk

TO THE MEMBERS AND CREDITORS

SIG/DJM/P8869

10th September 2018

Annual progress report to members and creditors

P & R Construction Managers Limited in liquidation

Supervising court	High Court Of Justice	Court reference number	002358 of 2017
Full registered name	P & R Construction Managers Limited	Registered office	1580 Parkway Solent Business Park Whiteley Fareham Hampshire PO15 7AG
Registered number	05271157	Trading address	New Barn Office Flatbrooks Pound Lane Newport PO30 4JX
Other trading names	None		
Name of liquidators and their licensing bodies	Michael Robert Fortune	Insolvency Practitioners Association	
	Carl Derek Faulds	Insolvency Practitioners Association	
Liquidators' address	1580 Parkway, Solent Business Park, Whiteley, Fareham, Hampshire, PO15 7AG E-mail creditors@portbfs.co.uk		
Date of appointment	12 th July 2017	Appointed by	High Court Of Justice
Period of report	12 th July 2017 to 11 th July 2018		

A winding up order was made against the above-named company on 22nd May 2017. Michael Robert Fortune and Carl Derek Faulds were appointed as joint liquidators on 12th July 2017.

Progress to date in realising assets

We enclose a summary of our receipts and payments during the year. We have provided comparisons of the realisations with the original statement of affairs in the Official Receiver's report, which we hope you will find helpful.



Portland Business & Financial Solutions Ltd. Registered No. 3830668.
Directors: Carl D Faulds, Mike Fortune, Steve Godwin, Nicola Layland.
All our Licensed Insolvency Practitioners are authorised by the Insolvency Practitioners Association.
Please be advised we are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.
A copy of our Privacy Policy setting out how we manage your Personal data can be found on our website



South West Office
Discovery Court, 551-553 Wallisdown Road,
Poole, Dorset BH12 5AG
Tel: 01202 712 810

London Office
90 Long Acre, Covent Garden,
London WC2E 9RZ
Tel: 020 7925 2651
Fax: 020 7925 2652

Petition deposit

The petition deposit of £1,600 was transferred to us upon our appointment. This was later repaid as an expense of the liquidation.

Cash in client account and cash at bank

At the outset of our appointment there was cash held in our client account of £181,267, following our appointment we arranged for these funds to be transferred to a dedicated Insolvency Services bank account.

We also sought recovery of the cash at bank held in the company's bank account which we believed could be as much as £4,000. It transpired that these funds were held in a personal account of the deceased director as the company did not have its own bank account. We therefore corresponded with the administrator of his estate to seek recovery of the funds.

We discovered that the company and personal funds were within the same account and we reviewed whether the company funds could specifically be identified in order that they could be returned. Unfortunately we were unable to obtain sufficient evidence to identify the company funds in the director's personal account and therefore the amount owed to the company formed a claim in the deceased estate. We eventually received a distribution of £568 from the director's estate.

Insurance policy refunds

Upon our appointment we were aware of insurance policy refunds due to the company. We wrote to the insurers concerned and successfully recovered £13,685.

Book debts

The company records reported book debts due to the company totalling £83,597 in respect of two contracts. We reviewed the position in respect of these debts and were informed by the debtors that they considered that the company had not preformed the required works under the contracts and that they could have counter claims against the company. With the assistance of independent quantity surveyors Leslie Keats, we undertook a review of the information available in the company's records and the information provided by the customers.

In respect of one of these contracts, we found that there were a number of credit notes that were agreed in respect of over charges but had not been issued by the company. The net position was that the customer was a creditor of the company.

The other debt that was shown as outstanding in the company's records was in respect of a company which was placed in to administration in March 2017. We reviewed the paperwork available and corresponded with the administrators of the company to establish the position. The administrators advised that they considered there could be a counter claim against P&R Construction but have not provided any details of this. As there appears to be no dividend available to unsecured creditors from the administration of the customer we did not pursue this debt further as it would not provide any financial benefit for creditors of P&R Construction.

Potential claim against LPA Receiver

A review of the company records highlighted an outstanding historical claim against a LPA Receiver. However, upon further investigation it was found that the company never fully justified their claim. We reviewed the possibility of completing the work to submit the claim as well as trying to make contact with the LPA Receiver to confirm whether there would be any recovery possible. Unfortunately it was found that the company was dissolved and we were unable to obtain any further information to establish the possibility of recovery.

VAT refund

We were advised at the outset that there was a potential VAT refund due to the company. Upon review we found that the company's VAT records were in a poor condition and there were a number of discrepancies on returns that had been previously submitted to HM Revenue & Customs (HMRC). A full review was undertaken from the information we had available to reconcile the company's records to the returns submitted to HMRC. Unfortunately due to missing information we were unable to fully re-produce the previous returns to establish their accuracy and as such we were unable to submit amended returns to HMRC. We concluded that further work would not result in a cost effective return to creditors.

Other realisations

There has also been interest received on the balances held.

Creditors' claims and dividends

A summary of the position regarding creditors' claims is set out below:-

	Creditor totals			Dividend totals	
	Statement of affairs £	Claims received £	Claims agreed £	Paid to date £	%
Secured claims	--	--	--	--	--
Preferential claims	--	--	--	--	--
Unsecured creditors	390,400	313,763	289,378	--	--

We comment further as follows:-

- As anticipated at the outset there were no secured or preferential creditors.
- We have verified the claims by those connected with the company to ensure that they are valid and accurately stated.
- The notice period for creditors to submit their claims expired shortly following the anniversary of our appointment and we have taken steps to agree creditors' claims.
- As outlined above, we were advised of potential counter claims by former customers. Formal notice requiring the customers to provide us with details and evidence of their claims were sent but only one claim was received. We reviewed the position in respect of the counter claim submitted by the customer and established the correct position based on the information we had available. Their claim has been agreed and admitted for dividend purposes.
- We have recently taken steps to reject a creditor claim that we consider is not valid. We are currently waiting for the statutory notice period for them to appeal against the rejection to expire.
- We will shortly be in a position to make a first and final dividend to unsecured creditors, once the outstanding matters as outlined in this report have been concluded.
- As part of the liquidation we also corresponded with the petitioning creditor in respect of their costs and arranged for these to be settled as an expense of the liquidation.
- In a compulsory liquidation there are fees due to the Official Receiver in respect of their general fee and administration fee which have been paid as an expense of the liquidation.

Our projection of the next dividend and likely timescale is as follows:-

	Next dividend		Projected total dividend %
	Amount %	Projected date	
Secured claims	--	No secured creditors	--
Preferential claims	--	No preferential creditors	--
Unsecured claims	50	October 2018	50

Liquidators' fees, disbursements and expenses

We are required to agree the basis of our remuneration and disbursements with the creditors. The agreement was given on 31st August 2017 by creditors.

It was resolved that our remuneration and disbursements be fixed as follows:-

- For services provided in the period up to the date of despatch of the draft final progress report to creditors on the basis allowed by reference to the time properly given by the office holders and their staff in attending to matters arising in the liquidation. This is analysed below:-

	From 12/07/2017 to 11/07/2018 (£)	Budgeted total (£)
Time costs	18,146	40,050
Average hourly rate	186	181
Fees drawn	17,000	

- For services in the period from the following day for the remainder of the liquidation, a set amount of £2,000. Whilst this work provides no financial benefit to the creditors it is required by statute.
- Out of pocket expenses incurred in accordance with the schedule of rates for disbursements and out pocket expenses published by the liquidators.

The time costs are unlikely to exceed the fee estimate provided.

In the attached analysis, we have recorded time in the following categories of work that we have handled:-

- **Asset realisations** – Taking appropriate measures to realise the assets of the company, as more fully explained under the heading 'Progress to date in realising assets'.

This work has provided a financial benefit to the creditors as sufficient funds are available from the realisations to enable a distribution to creditors.

- **Administration and planning** - Internal management of the case to ensure it is completed in an efficient manner and in accordance with good practice. Maintaining the estate accounts and ensuring compliance and statutory filing requirements.

Whilst this work provides no financial benefit to the creditors it is required by statute.

- **Reporting** – Communicating with creditors about initial appointment; and preparing and distributing reports.

Whilst this work provides no financial benefit to the creditors it is required by statute.

- **Creditors' claims** – Corresponding with creditors about their claims, as more fully described under the 'Creditor claims and dividends' above.

Where work is undertaken to agree claims in order to distribute funds to creditors this is for the financial benefit of the creditors. Whilst the other work provides no financial benefit to the creditors it is required by statute.

We have also instructed agents to handle certain aspects of the liquidation on our behalf where it was either more cost-effective for them to do so or where they have a particular expertise that was required. A summary of the name of agents, the work handled, the basis of the fees paid and the amounts paid and accrued is given below.

Name and profession	Nature of work handled	Basis of fees and estimate provided (£)	Paid and accrued to date (+) £
Rapid Despatch Logistics Ltd - Courier	Courier costs to collect the books and records of the company.	Fixed fee	127
Leslie Keats Quantity surveyors	Undertaking a reviewing of the two contracts and providing a report on the likely recovery of debts shown as outstanding in the company records.	Time cost	350

+ the amounts paid to date are shown in the attached receipts and payments account and the balance to arrive at the amounts shown above have been incurred but not paid.

The expenses and disbursements are not anticipated to exceed the estimate.

Creditors' requests for further information

In accordance with rule Insolvency (England and Wales) Rules 2016 the following may make a written request to us for further information about remuneration or expenses set out in this report:-

- A secured creditor
- An unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question)
- Any unsecured creditor with the permission of the court

A request, or an application to the court for permission, must be made, or filed with the court (as applicable) within 21 days of the receipt of this report.

In accordance with rule 18.34 the following may make an application that the remuneration charged is in all circumstances excessive or the basis is inappropriate or the expenses incurred are excessive:-

- A secured creditor
- An unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors (including the creditor in question)
- Any unsecured creditor with the permission of the court

The application to the court must be made no later than eight weeks after the receipt of this report.


Further information regarding liquidators' fees can be found by visiting the following website link <https://www.r3.org.uk/what-we-do/publications/professional/fees>

Anticipated timescale for completion of the winding up

We expect to be able to complete the winding up by October 2018. Prior to that, we need to address these outstanding issues upon which we have commented in this report:-

- Agreement of final creditor claims.
- Payment of a first and final dividend to unsecured creditors.
- VAT reclaim.

We hope that the contents of this report have provided you with a clear and detailed explanation of the conduct of the winding up. If you should have any queries or require further explanation please do not hesitate to contact us.



Michael Fortune
Joint Liquidator

Attachments

- Summary of receipts and payments
- SIP9 time analysis
- Schedule of charge out rates

P & R Construction Managers Limited
(In Liquidation)

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 12/07/2017 To 11/07/2018 £
RECEIPTS		
Petition deposit	1,600.00	1,600.00
Cash at bank	4,000.00	567.74
Book debts	Uncertain	-
VAT refund	Uncertain	-
Insurance policy refunds	Uncertain	13,560.17
Cash in client account	181,267.00	181,267.39
Insurance refund		125.00
ISA interest		487.13
	<hr/> 186,867.00	<hr/> 197,607.43
PAYMENTS		
Official Receiver's general fee		6,000.00
Official Receiver's administration fee		5,000.00
ISA banking fees		88.75
Petitioners deposit		1,600.00
Petitioners costs		2,224.60
Specific bond		660.00
Joint liquidators' remuneration		17,000.00
Joint liquidators' disbursements		357.57
Corporation tax		97.42
Storage costs		2.94
Courier fee		127.05
Advertising in London Gazette		74.50
Trade and expense creditors	(294,705.00)	-
Corporation tax	(25,666.00)	-
Construction Industry Scheme	(70,029.00)	-
Customer counter claims	Uncertain	-
	<hr/> (390,400.00)	<hr/> 33,232.83
Net Receipts/(Payments)		<hr/> 164,374.60
MADE UP AS FOLLOWS		
Insolvency Service current account		160,730.19
VAT receivable		3,644.41
		<hr/> 164,374.60

P & R Construction Managers Limited

SIP9 Time and cost summary

From: 12th July 2017 To: 11th July 2018

Category of work	Partner	Manager	Other senior professionals	Assistants and support staff	Actual		Estimated			
					Total hours	Time cost (£)	Average hourly rate (£)	Total hours	Time cost (£)	Average hourly rate (£)
Realisation of assets	-	16.90	11.80	8.60	37.30	7,581.50	203.26	67.00	12,310.00	183.73
Administration and planning	1.60	6.70	0.60	11.60	20.50	3,701.00	180.54	25.00	4,165.00	166.60
Creditors	-	6.10	12.20	14.00	32.30	5,413.00	167.59	97.00	16,980.00	175.05
Reporting	-	3.50	1.10	3.00	7.60	1,450.00	190.79	32.00	6,595.00	206.09
Total	1.60	33.20	25.70	37.20	97.70	18,145.50	185.73	221.00	40,050.00	181.22
Total Fees Claimed					17,000.00					

Category 2 Disbursements		Accrued in period £	Paid in period £	Total estimated £
Postage and stationery	3 times postage	82.17	80.37	150.00
Photocopying and printing	10p per copy	34.50	33.80	181.00
Mileage	HM Revenue & Customs agreed rate	68.40	68.40	145.00
Room hire	£120 per meeting	-	-	-
Storage (Portland archive)	£50 per box per year	175.00	175.00	100.00
Facsimile	£1 per page	-	-	12.00
Company searches	2 times cost	-	-	10.00
Virtual meeting/conference call	£10 per meeting or call	-	-	-
Banking fee	£10 per case	-	-	-
Debt collection fees	X% of realisations	-	-	-
		360.07	357.57	598.00

Portland Business & Financial Solutions

Fees and disbursements policies

Fee policy

In line with most practices, we normally calculate our fees on the basis of the time spent by each member of staff. We are prepared to calculate fees as a percentage of realisations or as a fixed fee by special arrangement only where the circumstances warrant it. Where the assignment relates to an insolvency appointment, we are normally required to obtain a resolution from creditors approving the basis of calculation.

Staff of the appropriate grades, are allocated to each task on each assignment, according to the size and complexity of the matter, and they record their time in six minute units. Where the fee is to be calculated on the basis of time spent, cost rates for each grade are then used to evaluate the fee. The effectively hourly rates are currently as follows:-

Cost per hour		
	Current rate from 1 Dec 2017	1 Oct 2014 to 30 Nov 2017
	£	£
Director / office holder	340	325
London Principal	340	325
Associate	340	325
Client director / Senior manager	280	265
Case manager	220	210
Senior insolvency administrator	185	175
Case administrator	145	
Administrator	115	110
Cashiers	115	110
Support staff	80	75

The rates are reviewed periodically, typically every 1-2 years, and could therefore increase during any particular assignment.

Disbursement policy

Category 1 – no approval required

Where expenses are incurred through third parties specifically in respect of the assignment, they are recharged to the case as incurred, for example statutory advertising, external room hire, fidelity bond, rail travel and external storage. These are defined as category 1 disbursements in SIP9 and approval is not required.

Category 2 – approval required

Other expenses can be recharged to the assignment based on a share or allocation of a cost that Portland incurs centrally. These are defined as category 2 disbursements in SIP 9 and approval is required. Typically such expenses and the method of allocation are as follows:-

Postage and stationery	-	Three times postage cost
Photocopying and printing	-	10p per copy
Facsimile	-	£1 per page
Mileage	-	HM Revenue and Customs agreed rate
Room hire	-	£120 per meeting
Storage (Portland archive)	-	£50 per box per year
Company searches	-	Two times cost
Virtual meeting/conference call	-	£10 per meeting/call
Banking fee	-	£10 per case
Debt collection fees*	-	Details below

* Portland Legal Debt Collection Limited, trading as Debtcol, is an associated company of Portland Business & Financial Solutions. Where it is deemed appropriate, having considered the cost effectiveness and expertise required this firm may be instructed to pursue outstanding debts. Commercial fees will be agreed on a percentage of realisation basis taking into account the complexity and age of the debt. Rates will be agreed on a commercial basis and will range between 5-25%. Specific recharges for necessary disbursements are recharged at cost.