

# 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

05857169

Name of Company

JNC Construction Limited

I / ~~the~~

Nicholas Andrew Hancock  
St James Building  
79 Oxford Street  
Manchester  
M1 6HT

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 17/05/2012 to 16/05/2013

Signed



Date

21/6/13

UHY Hacker Young turnaround and recovery  
St James Building  
79 Oxford Street  
Manchester  
M1 6HT

Ref PJ33/NAH/DR/KP/DBR

SATURDAY



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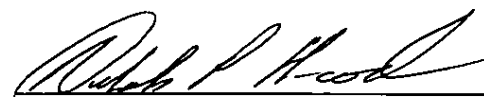
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COMPANIES HOUSE

**JNC Construction Limited**  
**(In Liquidation)**  
**Liquidator's Abstract of Receipts & Payments**

Statement of Affairs		From 17/05/2012 To 16/05/2013
5,000 00	SECURED ASSETS Goodwill & Trading Name	2,400 00 <u>2,400 00</u>
(13,784 00)	SECURED CREDITORS The Royal Bank of Scotland Plc	<u>NIL</u> NIL
8,000 00 (11,678 00)	HIRE PURCHASE Motor Vehicles Bank of Scotland Plc	<u>NIL</u> NIL NIL
4,600 00 400 00 5,000 00	ASSET REALISATIONS Plant & Machinery Office & Computer Equipment Motor Vehicles Bank Interest Gross	2,208 00 192 00 2,400 00 <u>2 40</u> 4,802 40
	COST OF REALISATIONS Specific Bond Travel Valuers Fees Legal Fees (1) Stationery & Postage Storage Costs Statutory Advertising	40 00 20 70 2,000 00 2,502 00 40 34 0 84 <u>258 65</u> (4,862 53)
(20,248 00) (96,662 00)	UNSECURED CREDITORS Trade & Expense Creditors H M Revenue & Customs - VAT	<u>NIL</u> NIL NIL
(101 00)	DISTRIBUTIONS Ordinary Shareholders	<u>NIL</u> NIL
<u>(119,473.00)</u>		<u><u>2,339.87</u></u>
	REPRESENTED BY	
	Bank 1 Current Vat Control Account	2,139 87 200 00 <u>2,339.87</u>



Nicholas Andrew Hancock

Liquidator

20 June 2013 15 29

20 June 2013

**PRIVATE AND CONFIDENTIAL**

**TO ALL KNOWN CREDITORS OF THE COMPANY**

St James Building  
79 Oxford Street  
Manchester M1 6HT

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Web www.uhy-uk.com

Our ref PJ33/KP/NAH/6

Your ref

Doc id 499446

Dear Sirs

**JNC CONSTRUCTION LIMITED  
IN CREDITORS VOLUNTARY LIQUIDATION  
COMPANY NUMBER: 05857169**

**REGISTERED OFFICE AND TRADING ADDRESS: 21 BOTESWORTH CLOSE,  
HINDLEY GREEN, WIGAN, LANCASHIRE WN2 4NL**

I, N A Hancock, of this office was appointed liquidator to the above company on 17 May 2012 and enclose my first annual progress report on the administration of the case

#### **RECEIPTS AND PAYMENTS**

My receipts and payments account for the twelve month period 17 May 2012 to 16 May 2013 is attached.

#### **ASSET REALISATIONS**

##### **Motor Vehicles**

The motor vehicles were inspected and professionally valued by Landwood Group, who advised that two motor vehicles were subject to finance agreements with Bank of Scotland. It was advised that there was no equity in either of the financed vehicles and therefore the company director, Mr Naughton, who held a personal guarantee for both vehicles dealt with the matter directly.

##### **Unencumbered Company Assets**

The unencumbered assets were valued by Landwood Group, with the company goodwill and trading name being valued by Bridgemans. An offer in the sum of £15,000 plus VAT was received from the company director, Mr Jason Naughton, via JN Construction (UK) Limited prior to the appointment of the Liquidator. The offer was broken down as follows;

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M D Wasinski FCA S J Berry C Gawthorpe FCA CTA N A Hancock FIPA FABRP FNARA  
R S Hall S J Lawson FCA B J Leyland D M Richardson MIPA MABRP FNARA M D C Robertson CA E Stanton CTA D Symonds FCA

N A Hancock and D M Richardson are licensed as Insolvency Practitioners by the Insolvency Practitioners Association

UHY Hacker Young turnaround and recovery Chartered Accountants is the trading name of UHY Hacker Young Manchester LLP  
liability partnership registered in England and Wales with Registered Number OC332437

Registered to carry out audit work in the UK and Ireland and regulated for a range of investment business activities by the Institute  
Accountants in England and Wales

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A member of Urbach Hacker Young International Limited, an international network of independent accounting and consulting firms



Goodwill and Trading Name £5,000  
Motor Vehicles £5,000  
Office and computer equipment £400  
Plant and machinery £4,599  
BAAS claims £1

The offer was considered in line with the valuation report and was therefore recommended for acceptance. This was subsequently ratified at the creditors meeting held on 17 May 2012.

Turner Parkinson LLP were instructed and duly prepared the sale agreement, whereby, it was agreed that payments would be made by monthly instalments of £1,800 with the final payment being received 1 April 2013. Unfortunately due to financial difficulties only four payments had been received in the twelve month period to 16 May 2013, totalling £7,200.

As part of the sale agreement, it was stated that the assets would remain vested in the Liquidator until such time that payment was received in full. Therefore due to the length of time that the balance had remained outstanding, solicitors were instructed to commence actions for the assets to be collected.

Mr Naughton has since made a further payment of £5,000, with the remaining balance to be paid during the period July to October

#### **BAAS Construction Limited Claims**

The sale agreement included the assignment of any claims against BAAS Construction Limited. Mr Naughton was to pursue the claims at his own expense, with the proceeds being split on a 50/50 basis between Mr Naughton and the Liquidator. Due to financial constraints, it has been advised that Mr Naughton is waiting until the end of July to start proceedings. The assignment of the claims was included in the sale agreement at the value of £1.

#### **Interest**

The sum of £2 has been received

#### **CREDITORS**

##### **Secured creditors**

Royal Bank of Scotland Plc held a fixed and floating charge over the company goodwill and trading name, relating to the overdrawn balance of the company's bank account.

The funds realised in respect of the goodwill less the costs of the valuation and sale will be paid to Royal Bank of Scotland Plc once sufficient funds become available.

#### **Preferential creditors**

No preferential claims have been received in the Liquidation.

#### **Unsecured Creditors**

To date 14 claims have been received, 11 of which have been agreed and 3 claims remain outstanding.

From the information available it appears unlikely that there will be sufficient funds available to allow a dividend to be paid to the unsecured creditors.

#### **Prescribed Part**

It is believed that the Net Property of the company is lower than the prescribed minimum; therefore, the calculation of the Company's net property is currently not applicable.

#### **INVESTIGATION**

I can advise you that my investigations are now complete and all relevant matters have been reported to the appropriate authorities who are conducting their own enquiries.

#### **COSTS OF THE LIQUIDATION**

##### **Legal Fees**

Legal costs of £2,502 have been incurred in drafting the sale agreement and chasing for instalment payments. Turner Parkinson LLP were instructed due to their expertise within the market.

##### **Agent's Fees**

Agent's fees in the sum of £2,000 have been incurred in valuing the company assets and goodwill. Bridgemans and Landwood Group were instructed due to their expertise within the market.

## **LIQUIDATORS COSTS**

### **Statement of Affairs fee**

The sum of £7,500 is due to be paid to UHY Hacker Young turnaround and recovery for their work in respect of the preparation of the statement of affairs and convening the meeting of creditors, as agreed at the meeting of creditors held on 17 May 2012. No fees have been drawn due to insufficient funds in the account.

### **Liquidator's fees**

My total time costs in dealing with the administration of this case for the period from 17 May 2012 to 16 May 2013 are £17,825 in respect of 89 hours, a breakdown of which is attached at Appendix II. No fees have been drawn due to insufficient funds in the account

A schedule detailing the current charge out rates is attached.

A copy of the extract from the Statement of Insolvency Practice 9, A Creditors' Guide to Liquidators' Fees, will be supplied to you on request or alternatively may be viewed at <http://turnaround-recovery.uhy-uk.com/home/creditors-guide-to-fees>.

### **Liquidator's disbursements**

Disbursements incurred during the twelve month period 17 May 2012 to 16 May 2013 amount to £360, details of which are attached.

To date the sum of £360 has been drawn on account of those costs as agreed by creditors at the meeting of creditors held on 17 May 2012.

## **CREDITORS RIGHTS TO REQUEST FURTHER INFORMATION**

Creditors are reminded of their rights under Rule 4.49E of the Insolvency Rules 1986. Within 21 days of receipt of a progress report a secured creditor or an unsecured creditor with concurrence of 5% in value of the company's unsecured creditors or permission of the court may request further information about remuneration and expenses set out in the report. Such a request must be made in writing.

The Liquidator must provide the information requested within 14 days of receipt of the request or alternatively his reasons for non-provision of the information

Should a creditor believe that the Liquidators remuneration or expenses are excessive, any secured creditor or any unsecured creditor with the concurrence of 10% in value of the company's creditors or permission of the court, may apply to court to challenge the Liquidators remuneration under Rule 4.131 of the Insolvency Rules 1986. Any such

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application must be made within a period of 8 weeks following the receipt of the progress report in which the remuneration is first reported

Yours faithfully



**N A Hancock**  
**Liquidator**

**JNC CONSTRUCTION LIMITED**  
**IN CREDITORS VOLUNTARY LIQUIDATION**  
**LIQUIDATORS RECEIPTS AND PAYMENTS ACCOUNT**  
**FOR THE PERIOD 17 MAY 2012 TO 16 MAY 2013**

**Appendix I**

	Per Statement of affairs	For 12 month period 17 May 2012 to 16 May 2013
<b>ASSETS SPECIFICALLY PLEDGED</b>	£	£
Goodwill	5,000	2,400 00
Less: The Royal Bank of Scotland Plc	<u>(13,784)</u>	<u>-</u>
	<u>(8,784)</u>	<u>2,400 00</u>
 Motor Vehicles	 8,000	 -
Less Bank of Scotland Finance	<u>(11,678)</u>	<u>-</u>
	<u>(3,678)</u>	<u>-</u>
 <b>ASSETS NOT SPECIFICALLY PLEDGED</b>		
<b>Receipts</b>		
Motor Vehicles	5,000	2,400 00
Office & Computer Equipment	400	192 00
Plant & machinery	4,600	2,208 00
Bank Interest Gross	<u>          </u>	<u>2 40</u>
	<u>10,000</u>	<u>7,202.40</u>
 <b>Payments</b>		
Valuer's Fees		2,000.00
Legal Fees		2,502 00
Statutory Advertising		258 65
Specific Bond		40 00
Liquidator's Disbursements		<u>61 88</u>
		4,862.53
Balance in hand		<u>2,339 87</u>
		<u>7,202 40</u>
 <b>Funds held</b>		
Current account		2,139.87
VAT Receivable		<u>200 00</u>
		<u>2,339.87</u>
 Liquidator's disbursements charged on following basis,		
<b>Category 1</b>		
Postage (actual - dependant on weight)		40 34
Travel		20 70
Storage Costs		0 84
<b>Category 2</b>		<u>-</u>
		<u>61 88</u>

The receipts and payments account is shown net of VAT.



JNC CONSTRUCTION LIMITED  
IN CREDITORS VOLUNTARY LIQUIDATION

APPENDIX II

ANALYSIS OF TIME COSTS AND EXPENSES INCURRED

FOR THE TWELVE MONTH PERIOD 17 MAY 2012 TO 16 MAY 2013

Category	Partner		Senior Manager		Manager		Administrator		Total hours	Time cost £
	Hours	Cost £	Hours	Cost £	Hours	Cost £	Hours	Cost £		
Administration & planning	3.00	930.00			2.20	589.00	11.10	1,687.50	16.30	3,206.50
Statutory notices & reports					1.00	260.00	9.70	1,448.50	10.70	1,708.50
Investigation					1.50	390.00	12.40	1,588.00	13.90	1,978.00
Realisation of assets	21.00	6,510.00			3.80	988.00	13.80	2,037.00	38.60	9,535.00
Creditors					0.70	182.00	5.40	741.00	6.10	923.00
VAT							3.40	474.00	3.40	474.00
	24.00	7,440.00	-	-	9.20	2,409.00	55.80	7,976.00	89.00	17,825.00
Average hourly cost (£)		310.00				261.85		142.94		200.28

DISBURSEMENTS (net of VAT)		£
Post (actual cost)		40.34
Statutory advertising - London Gazette		258.65
Bonding		40.00
Storage of books & records		0.84
Travel (at Inland Revenue rates)		20.70
		<u>360.53</u>

**UHY HACKER YOUNG**  
**turnaround and recovery**  
**Manchester office**

**CHARGE-OUT RATES**

The table shown details the charge-out rates utilised by UHY Hacker Young turnaround and recovery, Manchester for charging staff time. The rates shown include the current rates and those previously in force

<b>Grade</b>	<b>1 4 2013 to date</b>	<b>1.3.2011 – 31.3 2013</b>	<b>1.2.2010 – 28.2.2011</b>
Partner / Director	£395 - £345 per hour	£310 - £280 per hour	£295 - £265 per hour
Senior Manager	£300 per hour	£260 per hour	£245 per hour
Manager	£250 per hour	£230 per hour	£220 per hour
Manager (Property Management)	£150 per hour	£145 - £130 per hour	£145 - £130 per hour
Senior Administrator	£175 per hour	£145 per hour	£125 per hour
Administrator	£140 - £120 per hour	£120 - £100 per hour	£115 - £90 per hour
Junior	£100 per hour	£85 per hour	£85 per hour

The rates are applied consistently across all insolvency appointments and presented for approval of creditors or a creditors' committee where appropriate

Time spent on a case is recorded directly using an on-line time recording system. This is allocated in units of 6 minutes, with the nature of the work undertaken being recorded utilising the categories stated below,

Ethical/conflict issues	Planning and strategy
General Administration	Creditors Secured/Unsecured
Retention of title claims	Asset realisation/management
Debt Collection	Employee matters
Lease/rentals	Legal matters
Statutory work	Trading/wages/vat
Statement of Affairs	Reporting
Distribution and closure	

The firm's policy with regard to support staff is that their time is not recovered separately from the case as the cost of provision of the support services are included in the basis of the charge-out rate for the professional staff

**Disbursements and other costs**

Disbursements incurred in the course of an appointment are recharged to the case in accordance with SIP9 regulations on all insolvency appointments. These fall into two categories,

**Category 1 disbursements** - These are specific costs referable to the case in question and paid to an independent third party. These generally include advertising, bond, postage, and travel expenses. Category 1 disbursements may be drawn without prior approval.

**Category 2 disbursements** - These are not specific costs which are re-charged by the firm on the following basis. These generally include stationery, photocopying, telephone calls and fax. Category 2 disbursements are required to be approved by creditors before they can be drawn.

Internal photocopying	10p per sheet
Storage of IP's working files (6 years)	£21 per box

A copy of the extract from the Statement of Insolvency Practice 9, A Creditors' Guide to Fees, is located at <http://turnaround-recovery.uhy-uk.com/home/creditors-guide-to-fees> or alternatively a paper copy will be supplied to you on request.

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