

# 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

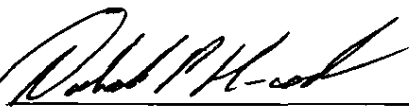
I / ~~we~~

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 17/05/2013 to 16/05/2014

Signed



Date

19 6 14

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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21/06/2014

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COMPANIES HOUSE

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

Statement of Affairs		From 17/05/2013 To 16/05/2014	From 17/05/2012 To 16/05/2014
	<b>SECURED ASSETS</b>		
5,000 00	Goodwill & Trading Name	1,666 67	4,066 67
		<u>1,666 67</u>	<u>4,066 67</u>
	<b>COSTS OF REALISATION</b>		
	Legal Fees	NIL	834 00
	Valuers Fees	NIL	1,000 00
		<u>NIL</u>	<u>(1,834 00)</u>
	<b>SECURED CREDITORS</b>		
(13,784 00)	The Royal Bank of Scotland Plc	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>HIRE PURCHASE</b>		
8,000 00	Motor Vehicles	NIL	NIL
(11,678 00)	Bank of Scotland Plc	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>ASSET REALISATIONS</b>		
4,600 00	Plant & Machinery	1,532 52	3,740 52
400 00	Office & Computer Equipment	133 33	325 33
5,000 00	Motor Vehicles	1,666 67	4,066 67
	BAAS Claims	0 81	0 81
	Bank Interest Gross	2 80	5 20
		<u>3,336 13</u>	<u>8,138 53</u>
	<b>COST OF REALISATIONS</b>		
	Specific Bond	NIL	40 00
	Travel	NIL	20 70
	Preparation of S of A	5,000 00	5,000 00
	Office Holders Expenses	8 00	8 00
	Valuers Fees	NIL	1,000 00
	Legal Fees (1)	NIL	1,668 00
	Corporation Tax	0 57	0 57
	Stationery & Postage	24 46	64 80
	Storage Costs	2 52	3 36
	Statutory Advertising	NIL	258 65
		<u>(5,035 55)</u>	<u>(8,064 08)</u>
	<b>UNSECURED CREDITORS</b>		
(20,248 00)	Trade & Expense Creditors	NIL	NIL
(96,662 00)	H M Revenue & Customs - VAT	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(101 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<b>(119,473.00)</b>		<b>(32 75)</b>	<b>2,307.12</b>

REPRESENTED BY

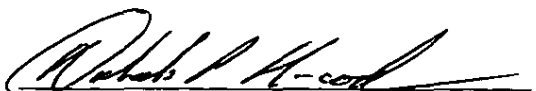
Vat Receivable  
Lloyds Bank  
Vat Control Account

1,965 21  
2,307 12  
(1,965 21)

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**2,307.12**

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Nicholas Andrew Hancock  
Liquidator

12 June 2014

**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 558089

Dear Sirs

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

**REGISTERED OFFICE & 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 second annual progress report on the administration of the case

This report should be read in conjunction with my previous progress report issued on 20 June 2013

#### **RECEIPTS AND PAYMENTS**

My receipts and payments account for the twelve month period 17 May 2013 to 16 May 2014 is attached

#### **ASSET REALISATIONS DURING THE TWELVE MONTH PERIOD 17 MAY 2013 TO 16 MAY 2014**

#### **Unencumbered Company Assets**

You will recall from my last progress report that an offer in the sum of £15,000 plus VAT had been received from the company director, Mr Jason Naughton, via JN Construction (UK) Limited and was subsequently accepted and ratified at the creditors meeting held on 17 May 2012. The offer was broken down as follows,

f:\data\client\p\pj33\correspondence\notice\annual report\2014-05 28 document agm report to creditors & member.doc  
M D Wasinski FCA S J Berry C Gawthorpe FCA CTA P Daly ACA N A Hancock FIPA FABRP M J Hodgson CTA D Kendrick CF  
S J Lawson FCA B J Leyland D M Richardson MIPA MABRP 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 a limited 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 of Chartered Accountants in England and Wales

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Goodwill and Trading Name £5,000  
Motor Vehicles £5,000  
Office and Computer Equipment £400  
Plant and Machinery £4,599  
BAAS Claim £1

Turner Parkinson LLP prepared the sale agreement, whereby it was agreed that payments of £1,800 would be made monthly, with the final payment being received 1 April 2013. 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 title in the assets would remain vested in the Liquidator until such time that payment was received in full. Due to the length of time that the matter had been outstanding solicitors were instructed to commence actions to realise the assets.

Mr Naughton has since made further payments of £5,000 and £2,000, leaving a balance outstanding of £3,800. It was promised that this balance would be paid by the end of November 2013, however, this deadline passed with no payment having been received. Consideration was given to issuing court proceedings, however, it transpired that JN Construction (UK) Limited had been wound up. It is understood from the Official Receiver that there is no prospect of a distribution to creditors in the Liquidation.

On the basis of title in the assets remaining in the Liquidator until paid for in full, we requested from both Mr Naughton and the Official Receiver the location of the assets included within the sale agreement. It has been advised that the assets have been disposed of. Mr Naughton has been advised that he should make an offer in the sum of the outstanding deferred consideration to prevent us seeking recovery of the assets. We await Mr Naughton's proposals.

### **Interest**

The sum of £2 80 has been received.

### **ASSET REALISATIONS DURING PRIOR REPORTING PERIOD**

Asset realisations achieved prior to the period covered by this report have been detailed in my annual progress report dated 20 June 2013. A summary of these assets is provided below.

## **Motor Vehicles**

The motor vehicles were inspected and professionally valued by Landwood Group, who advised that the 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.

## **Bank Interest**

The sum of £2 40 has been received.

## **ASSETS TO BE REALISED**

### **BAAS Construction Limited Claims**

The sale agreement included the assignment of any claims against BAAS Construction Limited. Mr Naughton was to initially 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 the lack of progress made, Turner Parkinson LLP were instructed to pursue the outstanding sums due. BAAS Construction Limited instructed solicitors to act on their behalf and appear to now be in a position to offer a settlement figure. There has been a dispute raised with regards to whether the monies due are attributable to JNC Construction Limited or JN Construction (UK) Limited. It has been agreed that Mr Naughton will negotiate payment of the sums due and once paid to either ourselves or the Official Receiver, the issue of the apportionment will be addressed.

## **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. It is unlikely that there will be sufficient funds to make a payment once the costs of the valuation and sale are taken into account.

### **Preferential creditors**

No preferential claims have been received in the Liquidation.

### **Unsecured Creditors**

There are 29 unsecured creditors, to date 15 claims have been received.

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The claims have not been adjudicated as there are insufficient funds available to enable a dividend to be paid to 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 enquires

#### **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 was 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. To date the sum of £5,000 has been drawn on account of these costs

##### **Liquidator's fees**

My total time costs in dealing with the administration of this case for the period from the date of appointment 17 May 2012 to 16 May 2014 are £31,605 in respect of 157 hours, a breakdown of which is attached at Appendix II

Details of my time costs during the twelve month period covered by this report 17 May 2013 to 16 May 2014 are £13,780 in respect of 68 hours, a breakdown of which is attached at Appendix III

At a meeting of creditors held on 17 May 2012, approval that my costs may be drawn on a time cost basis was obtained

No fees have been drawn to date 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

Liquidator's disbursements are shown below,

Disbursement	Previous period 17/05/2012 to 16/05/2013	Current period 17/05/2013 to 16/05/2014	Total
<b>Category 1</b>			
Statutory advertising – London Gazette	258 65	-	258 65
Bonding	40 00	-	40 00
Post	40 34	24 46	64 80
Storage	0 84	4 20	5 04
Travel	20 70	-	20 70
Veriphy Search	-	8 00	8 00
<b>Total disbursement incurred</b>	<b>360 53</b>	<b>36 66</b>	<b>397 19</b>
<b>Disbursement drawn</b>	<b>(360 53)</b>	<b>(34 98)</b>	<b>(395 51)</b>
<b>Disbursement outstanding</b>	<b>-</b>	<b>1 68</b>	<b>1 68</b>

### 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.

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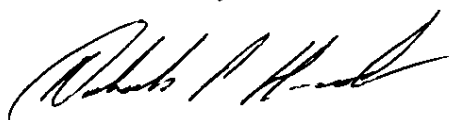
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Should a creditor believe that the Liquidators remuneration or expenses are excessive, any secured creditor or any unsecured creditor with the concurrence of 10% in value of the company's creditors or permission of the court, may apply to court to challenge the Liquidators remuneration under Rule 4.131 of the Insolvency Rules 1986. Any such 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 2013 TO 16 MAY 2014**

Appendix I

	Per Statement of affairs	For 12 month period 17 May 2012 to 16 May 2013	For 12 month period 17 May 2013 to 16 May 2014	Total period 17 May 2012 to 16 May 2014
<b>ASSETS SPECIFICALLY PLEDGED</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Goodwill	5,000	2,400 00	1,666 67	4,066 67
Less The Royal Bank of Scotland Plc	(13,784)	-	-	-
	<u>(8,784)</u>	<u>2,400 00</u>	<u>1,666 67</u>	<u>4,066 67</u>
 Motor Vehicles	 8,000	 -	 -	 -
Less Bank of Scotland Finance	(11,678)	-	-	-
	<u>(3,678)</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>ASSETS NOT SPECIFICALLY PLEDGED</b>				
<b>Receipts</b>				
Motor Vehicles	5,000	2,400 00	1,666 67	4,066 67
Office & Computer Equipment	400	192 00	133 33	325 33
Plant & machinery	4,600	2,208 00	1,532 52	3,740 52
BAAS Claims	-	-	0 81	0 81
Bank Interest Gross	-	2 40	2 80	5 20
	<u>10,000</u>	<u>7,202 40</u>	<u>5,002 80</u>	<u>12,205 20</u>
<b>Payments</b>				
Valuer's Fees	-	2,000 00	-	2,000 00
Legal Fees	-	2,502 00	-	2,502 00
Statutory Advertising	-	258 65	-	258 65
Specific Bond	-	40 00	-	40 00
Liquidator's Disbursements	-	61 88	34 98	96 86
Preparation of Statement of Affairs	-	-	5,000 00	5,000 00
Corporation Tax	-	-	0 57	0 57
		<u>4,862 53</u>	<u>5,035 55</u>	<u>9,898 08</u>
Balance in hand		<u>2,339 87</u>	<u>(32 75)</u>	<u>2,307 12</u>
		<u>7,202 40</u>	<u>5,002 80</u>	<u>12,205 20</u>
 Funds held				
Current account		2,139 87	167 25	2,307 12
VAT Control Account		200 00	(200 00)	-
		<u>2,339 87</u>	<u>(32 75)</u>	<u>2,307 12</u>
 Liquidator's disbursements charged on following basis,				
<b>Category 1</b>				
Postage (actual - dependant on weight)		40 34	24 46	64 80
Travel		20 70	-	20 70
Storage Costs		0 84	2 52	3 36
Veriphy Search		-	8 00	8 00
<b>Category 2</b>		-	-	-
		<u>61 88</u>	<u>34 98</u>	<u>96 86</u>

The receipts and payments account is shown net of VAT

**JNC CONSTRUCTION LIMITED  
IN CREDITORS VOLUNTARY LIQUIDATION  
ANALYSIS OF TIME COSTS INCURRED  
FOR THE PERIOD 17 MAY 2012 TO 16 MAY 2014**

**APPENDIX II**

Category	Partner		Senior Manager		Manager		Administrator		Total hours	Time cost £
	Hours	Cost £	Hours	Cost £	Hours	Cost £	Hours	Cost £		
Administration, planning & reviews	3 00	930 00			4 50	1,382 50	22 60	3,700 00	30 10	6,012 50
Statutory notices & annual reports					2 30	708 50	15 90	2,511 50	18 20	3,220 00
Investigation					2 00	562 50	14 80	2,008 00	16 80	2,570 50
Realisation of assets	23 00	7,300 00			5 80	1,678 00	38 10	6,289 50	66 90	15,267 50
Debt collection	1 00	395 00			0 90	310 50	9 00	1,575 00	10 90	2,280 50
Creditors claims & correspondence					0 70	182 00	8 00	1,161 00	8 70	1,343 00
Post-app tax/vat returns & correspondence							5 90	911 50	5 90	911 50
	27 00	8,625 00	-	-	16 20	4,824 00	114 30	18,156 50	157 50	31,605 50
<b>Average hourly cost (£)</b>		319 44				297 78		158 85		200 67

**JNC CONSTRUCTION LIMITED  
IN CREDITORS VOLUNTARY LIQUIDATION  
ANALYSIS OF TIME COSTS INCURRED  
FOR THE TWELVE MONTH PERIOD 17 MAY 2013 TO 16 MAY 2014**

**APPENDIX III**

Category	Partner		Senior Manager		Manager		Administrator		Total hours	Time cost £
	Hours	Cost £	Hours	Cost £	Hours	Cost £	Hours	Cost £		
Administration, planning & reviews					2 30	793 50	11 50	2,012 50	13 80	2,806 00
Statutory notices & annual reports					1 30	448 50	6 20	1,063 00	7 50	1,511 50
Investigation					0 50	172 50	2 40	420 00	2 90	592 50
Realisation of assets	2 00	790 00			2 00	690 00	24 30	4,252 50	28 30	5,732 50
Debt collection	1 00	395 00			0 90	310 50	9 00	1,575 00	10 90	2,280 50
Creditors claims & correspondence							2 60	420 00	2 60	420 00
Post-app tax/vat returns & correspondence							2 50	437 50	2 50	437 50
	3 00	1,185 00	-	-	7 00	2,415 00	58 50	10,180 50	68 50	13,780 50
<b>Average hourly cost (£)</b>		395 00				345 00		174 03		201 18

**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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Updated 1 4 2013