

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

06932236

Name of Company

A H Construction Limited

1 ~~1~~

Myles Jacobson, Gable House, 239 Regents Park Road, London, N3 3LF

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 16/09/2014 to 15/09/2015

Signed

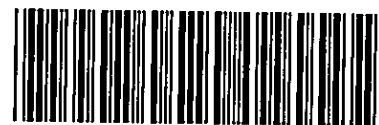
Date

13/11/15

Streets SPW
Gable House
239 Regents Park Road
London
N3 3LF

Ref A1102/MJ/RL

WEDNESDAY



A4KG5DL4

A06

18/11/2015

#58

COMPANIES HOUSE

A.H. Construction Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 16/09/2014 To 15/09/2015
	ASSET REALISATIONS	
7,151 00	Contracts	7,151 00
Uncertain	Book Debts / Retentions	25 00
	Bank Interest Gross	411 83
286,222 58	Funds Transferred from Administration	286,222 58
NIL	Surplus from Factoring Company	6,842 21
10,849 00	Goodwill	10,849 00
		<u>311,501 62</u>
	COST OF REALISATIONS	
	Liquidator's Fees	23,500 00
	Administrator's Fees	18,200 00
	Legal Fees	7,425 00
	Storage Costs	300 00
	Statutory Advertising	159 80
	Petitioning Creditor's Costs	1,357 50
		<u>(50,942 30)</u>
	PREFERENTIAL CREDITORS	
(570 90)	Preferential Dividend of 100p in the £	1,156 90
	PAYE/NIC on Preferential Dividend	214 00
		<u>(1,370 90)</u>
	UNSECURED CREDITORS	
(732,697 44)	Dividend to Creditors of 17 85p in the £	200,000 00
(2,768 00)	Employee's Claims	NIL
(152,406 42)	Directors' Loan Accounts	NIL
(2,221 48)	Lloyds TSB Bank Plc	NIL
(24,855 34)	HM Revenue & Customs - VAT	NIL
(17,940 78)	HM & Revenue & Customs - PAYE/NI	NIL
		<u>(200,000 00)</u>
	DISTRIBUTIONS	
(100 00)	Ordinary Shareholders	<u>NIL</u>
		NIL
<u>(629,337 78)</u>		<u><u>59,188 42</u></u>
	REPRESENTED BY	
	VAT Receivable	2,730 00
	Interest Bearing Estate Account	128,804 11
	Accrual for Claims not Agreed	(72,345 69)
		<u><u>59,188.42</u></u>

**A H. Construction Limited - In Creditors' Voluntary Liquidation
Liquidator's Progress Report to Members and Creditors
For the Year Ended 15 September 2015**

STATUTORY INFORMATION

Company name	A H Construction Limited
Registered office	Gable House 239 Regents Park Road London N3 3LF
Former registered office	Unit 1 Oaks Business Park Wix Road Beaumont Clacton-On-Sea Essex CO16 0AT
Registered number	06932236
Liquidator's name	Myles Jacobson
Liquidator's address	Gable House 239 Regents Park Road London N3 3LF
Liquidator's date of appointment	16 September 2014

RECEIPTS AND PAYMENTS ACCOUNT

My receipts and payments account for the period from 16 September 2014 to 15 September 2015 is attached

The balance of funds are held in an interest bearing estate bank account

ASSETS

Pre-packaged Sale of the Business

The business was sold during the administration to ATPS Construction Limited ("ATPS"), a company associated by way of a common shareholder, Mr Andy Hockey, for a total consideration of £28,500. ATPS had been experiencing cash flow difficulties and only £10,500 was received during the administration. I can confirm that payment in full has now been received. Accordingly £7,151 has been recorded on the attached receipts and payments account under 'Contracts' and £10,849 under 'Goodwill'.

Book Debts/Retentions

Upon liquidation, the majority of the book debts had either been collected (£31,688) by my agents, Robert Pearce Associates ("RPA"), or written-off for legitimate reasons £25 has been received during the liquidation

Of the 2 remaining debts, my agents advised that the best case scenario for collections would be £35,000 with the worst case being £Nil. Unfortunately, one of the debtors entered liquidation and it is not expected that a distribution will be made to creditors. The other debt related to a claim for £28,938 that the company had previously submitted to its insurance company in relation to stolen plant and machinery. Initially, this claim had been rejected by the insurer and I sought to challenge the decision with the assistance of Mr Hockey and the company's insurance broker. The broker confirmed that as the correct procedure in reporting the theft at the time was not followed then the insurance company was well within its rights to reject the claim. On this advice, I decided not to pursue the matter further.

The collection of the book debts and retentions has been completed.

Gross Bank Interest

Bank interest totalling £412 has been earned on credit funds held in the liquidation account.

Funds Transferred from Administration

Following the completion of the administration, funds of £286,223 were transferred into the liquidation bank account.

Surplus from Factoring Company

During the administration Lloyds TSB Commercial Finance Limited ("LTSBCF") (now known as Lloyds Bank Commercial Finance) were claiming set-off under the terms of a Receivables Finance Agreement with one of the company's creditors in respect of a credit balance held of £61,000. As a result, it was not anticipated that any funds would be received from them. I had instructed Philip Ross Solicitors ("PRS") to review the matter.

PRS reviewed the agreements and invoices of the company's supplier and as a result identified £27,091 of credits to be applied to the account. Once set-off was applied, the residual showed a positive balance of £6,842. These figures were agreed by LTSBCF and the full balance was received into the liquidation account.

LIABILITIES

Secured Liabilities

An examination of the company's mortgage register held by the Registrar of Companies, showed that the company granted a debenture to LTSBCF which was created on 21 May 2012 and duly registered at Companies House on 28 May 2012. LTSBCF have confirmed that they do not have a claim in the liquidation.

The legislation requires that if the company has created a floating charge after 15 September 2003, a prescribed part of the company's net property (i.e. the money that would otherwise be available to the chargeholder) should be ring-fenced for distribution to unsecured creditors. In this case LTSBCF have no claim and there were no other creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential Creditors

I have received preferential claims totalling £1,371

Crown Creditors

The statement of affairs from the administration included £42,796 owed to HM Revenue & Customs ("HMRC"). HMRC have submitted a claim of £36,844, however, I am currently in discussions with them over the level of their claim as I believe that the company is due a refund of £30,827 in relation to PAYE/NIC.

Unsecured Creditors

The statement of affairs from the administration included 81 unsecured creditors with an estimated total liability of £887,325. I have received claims from 63 creditors (4 of which were not included in the statement of affairs) at a total of £1,039,929. I have not received claims from 22 creditors with original estimated claims in the statement of affairs of £137,447.

DIVIDEND PROSPECTS**Secured Creditors**

As stated above, LTSBCF do not have a claim in the liquidation.

Preferential Creditors

On 11 December 2014, I declared a first and final dividend of 100p in the £ to this class of creditor. A total of £1,371 was distributed.

Unsecured Creditors

On 18 December 2014, I declared a first and interim dividend of 17.85p in the £ totalling £200,000. I made a provision of £72,346 for creditors who had not yet proven their claims and for those whose claims had not yet been agreed due to disputes, which is also the reason for the delay in paying a further dividend.

I am currently finalising the claims in the liquidation and shall soon be in a position to pay a second and final dividend to creditors, once all claims have been dealt with.

For any creditor that has not yet submitted a claim in the liquidation I would ask that you complete the attached proof of debt form and return it to me together with supporting documentation at your earliest opportunity. Failure to do so will result in your claim being excluded from all dividend payments in the liquidation.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved. There were no matters that justified further investigation in the circumstances of this appointment.

Within six months of my appointment as liquidator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present director would make him/her unfit to be concerned with the management of the company. I would confirm that my report has been submitted. A similar report was also submitted during the period in my capacity as the former administrator of the company.

PRE-APPOINTMENT REMUNERATION

In accordance with Paragraph 83 of Schedule B1 to the Insolvency Act 1986 the company moved from administration to liquidation on 16 September 2014. Accordingly, there was no pre-appointment fee.

LIQUIDATOR'S REMUNERATION

My remuneration was previously authorised at a meeting of creditors on 16 June 2014 to be drawn on a time cost basis. This authority also applies to my remuneration as liquidator. My total time costs to 15 September 2015 amount to £23,915 representing 98.80 hours of work at an average charge out rate of £242.05 per hour.

I have drawn £23,500 to 15 September 2015 in respect of liquidator's fees and £18,200 in respect of the balance of my unpaid remuneration in the administration.

A schedule of my time costs incurred to 15 September 2015 is shown below -

	<u>Hours</u>				
Classification of Work	Partner	Other Senior Professionals	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration and Planning	8.30	23.50	31.80	7,070.00	222.33
Case Specific Matters	8.00	1.20	9.20	3,380.00	367.39
Creditors	14.00	19.90	33.90	8,605.00	253.83
Investigations	2.10	17.00	19.10	3,390.00	177.49
Realisation of Assets	3.00	1.80	4.80	1,470.00	306.25
Total	35.40	63.40	98.80	23,915.00	242.05

A description of the routine work undertaken in the liquidation to the anniversary date is as follows

- 1 Administration and Planning
 - Preparing the documentation and dealing with the formalities of appointment
 - Statutory notifications and advertising
 - Preparing documentation required
 - Dealing with all routine correspondence
 - Maintaining physical case files and electronic case details on IPS
 - Review and storage
 - Case bordereau
 - Case planning and administration
 - Preparing reports to members and creditors
- 2 Cashiering
 - Maintaining and managing the liquidator's cashbook and bank account
- 3 Case Specific Matters
 - Corresponding with LTSBCF regarding the credit balance held
 - Liaising with solicitors regarding the credit balance held by LTSBCF
- 4 Creditors
 - Dealing with creditor correspondence and telephone conversations
 - Maintaining creditor information on IPS
 - Reviewing and adjudicating on proofs of debt received from creditors
 - Declaring and paying a dividend to preferential and unsecured creditors
- 5 Investigations
 - Review and storage of books and records
 - Preparing a return pursuant to the Company Directors Disqualification Act
 - Conducting investigations into suspicious transactions
 - Review books and records to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors
- 6 Realisation of Assets
 - Corresponding with agents and attempting to collect outstanding book debts/retentions
 - Corresponding with purchaser and collecting deferred consideration

A copy of 'A Creditors' Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals may be found at http://www.streetsspw.co.uk/sites/www.streetsspw.co.uk/files/documents/guide_to_liquidators_fees_nov2011.pdf A hard copy of the Creditors' Guide can be obtained on request from my office. Enclosed is an explanatory note which shows Streets SPW's ("Streets") practice fee recovery policy.

LIQUIDATOR'S EXPENSES

I have incurred expenses to 15 September 2015 of £7,885

I have drawn £7,885 to 15 September 2015

I have incurred the following expenses in the period since my appointment as liquidator

Type of expense	Amount incurred/accrued in the reporting period (£)
Legal Fees	7,425
Statutory Advertising	160

I have incurred the following category 2 disbursements in the period since my appointment as liquidator

Type of category 2 disbursement	Amount incurred/accrued in the reporting period (£)
Storage Costs	300

Certain of the disbursements were paid by Streets directly and repaid from the liquidation when funds became available

I have used the following agents or professional advisors in the reporting period

Professional Advisor	Nature of Work	Basis of Fees
Robert Pearce Associates	Collection of the company's book debts and retentions	20% of collections
Philip Ross Solicitors	Legal assistance in relation to LTSBCF and agreement of the petitioning creditor's costs.	Time costs

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. The fees charged have been reviewed and I am satisfied that they are reasonable in the circumstances of this case.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the liquidator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

SUMMARY

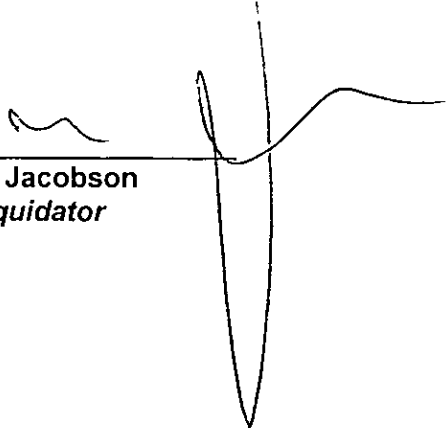
The liquidation will remain open until all creditor claims have been agreed and a second and final dividend has been paid to creditors. I estimate that this will take approximately 3-6 months and once resolved the liquidation will be finalised and my files will be closed.

Should you have any queries regarding this report, or the liquidation in general, please contact Roger Liddington on 020 8371 5000.

At Streets we always strive to provide a professional and efficient service. However, we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. As such, should you have any comments or complaints regarding the administration of this case then in the first instance you should contact me at the address given in this letter.

If you consider that I have not dealt with your comments or complaint appropriately you should then put details of your concerns in writing to our complaints officer Mr Shirish Shah, Gable House, 239 Regents Park Road, London N3 3LF. This will then formally invoke our complaints procedure and we will endeavor to deal with your complaint under the supervision of a senior partner unconnected with the appointment.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at www.gov.uk/complain-about-insolvency-practitioner, or you can email insolvency.enquiryline@insolvency.gsi.gov.uk, or you may phone 0300 678 0015.



M. Jacobson
Liquidator

A H Construction Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 16/09/2014 To 15/09/2015
	ASSET REALISATIONS	
7,151 00	Contracts	7,151 00
Uncertain	Book Debts / Retentions	25 00
	Bank Interest Gross	411 83
286,222 58	Funds Transferred from Administration	286,222 58
NIL	Surplus from Factoring Company	6,842 21
10,849 00	Goodwill	10,849 00
		<u>311,501 62</u>
	COST OF REALISATIONS	
	Liquidator's Fees	23,500 00
	Administrator's Fees	18,200 00
	Legal Fees	7,425 00
	Storage Costs	300 00
	Statutory Advertising	159 80
	Petitioning Creditor's Costs	1,357 50
		<u>(50,942 30)</u>
	PREFERENTIAL CREDITORS	
(570 90)	Preferential Dividend of 100p in the £	1,156 90
	PAYE/NIC on Preferential Dividend	214 00
		<u>(1,370 90)</u>
	UNSECURED CREDITORS	
(732,697 44)	Dividend to Creditors of 17 85p in the £	200,000 00
(2,768 00)	Employee's Claims	NIL
(152,406 42)	Directors' Loan Accounts	NIL
(2,221 48)	Lloyds TSB Bank Plc	NIL
(24,855 34)	HM Revenue & Customs - VAT	NIL
(17,940 78)	HM & Revenue & Customs - PAYE/NI	NIL
		<u>(200,000 00)</u>
	DISTRIBUTIONS	
(100 00)	Ordinary Shareholders	NIL
		<u>NIL</u>
<u>(629,337 78)</u>		<u>59,188 42</u>
	REPRESENTED BY	
	VAT Receivable	2,730 00
	Interest Bearing Estate Account	128,804 11
	Accrual for Claims not Agreed	(72,345 69)
		<u>59,188 42</u>

**In the matter of A H. Construction Limited - (In Liquidation)
and in the matter of the Insolvency Act 1986**

Date of Liquidation 16 September 2014

1	Name of Creditor	
2	Address of Creditor	
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation (see note)	£
4	Details of any document by reference to which the debt can be substantiated [Note the liquidator may call for any document or evidence to substantiate the claim at his discretion]	
5	If total amount above includes outstanding uncapitalised interest please state amount	£
6	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
7	Particulars of how and when debt incurred	
8	Particulars of any security held, the value of the security, and the date it was given	£
9	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	

STREETS | SPW

Licensed Insolvency Practitioners

Practice Fee Recovery Policy for Streets SPW

Introduction

The insolvency legislation was changed in April 2010 for insolvency appointments commenced from that time in order to allow more flexibility on how an office holder's fees are charged to a case. This sheet explains how we may apply the alternative fee bases. The legislation now allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court. Further details about how an office holder's fees are approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.streetsspw.co.uk. Alternatively a hard copy may be requested from Streets SPW, Gable House, 239 Regents Park Road, London N3 3LF.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under the old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

This is the basis that we use in the majority of cases and we use charge-out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Streets SPW charge-out rates

Grade of staff	Current charge-out rate per hour (£) effective from 1 January 2015
Partner - (appointment-taker)	400-500
Associate	375
Senior manager	300
Manager	250
Administrator	150
Assistants & support staff	90

Where necessary and appropriate, members of staff from SPW (UK) LLP, a connected accountancy and tax practice of which Streets SPW is a trading name in respect of insolvency work undertaken by the LLP, will undertake work on a case on either a time cost (charged at their normal charge-out rate) or fixed fee basis.

SPW (UK) LLP charge-out rates

Grade of staff	Current charge-out rate per hour (£) effective from 1 January 2015
Partner	275
Associate	175
Manager	150
Senior	105
Semi-senior	65
Junior	45

These charge-out rates charged are reviewed on 1 January each year and are adjusted if appropriate to take account of inflation and the firm's overheads. No increase has been applied to Streets SPW's rates since 1 December 2010.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Each unit of time is 6 minutes. The work is recorded under the following categories -

- Administration and Planning
- Case Specific Matters
- Creditors
- Investigations
- Realisation of Assets
- Trading

Percentage basis

The legislation now allows fees to be charged on a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. Where we would like to realise any asset or type of assets on a percentage basis we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Fixed fee

The legislation now allows fees to be charged at a set amount. Different set amounts can be used for different tasks. Where we would like to charge a set amount for a task or different set amounts for different tasks we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the office holder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's costs

Charged at cost based upon the charge made by the agent instructed, the term agent includes -

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the office holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either category 1 or category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Streets SPW, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following category 2 disbursements are recovered -

Room Hire	£100
Mileage	45p per mile
Storage	£10 per box per 6 months
Photocopying	15p per sheet