

**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

07084389

Name of Company


Agobuild Limited

I / ~~We~~  
Michael Durkan  
17 Berkeley Mews  
29 High Street  
Cheltenham  
GL50 1DY

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 06/01/2012 to 05/01/2013

Signed



Date

14/2/13

Durkan Cahill  
17 Berkeley Mews  
29 High Street  
Cheltenham  
GL50 1DY

Ref AGOBU01/MPD/GT/RS

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15/02/2013

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

Statement of Affairs		From 06/01/2012 To 05/01/2013
	<b>ASSET REALISATIONS</b>	
NIL	Book Debt	NIL
NIL	Intercompany Loan Account	NIL
129 66	Cash at Bank	117 32
	Bank Interest Net of Tax	0 66
	Goodwill	<u>1,000 00</u>
		1,117 98
	<b>COST OF REALISATIONS -</b>	
	Specific Bond	60 00
	Statutory Advertising	<u>180 00</u>
		(240 00)
	<b>PREFERENTIAL CREDITORS</b>	
(3,283 72)	Employee Arrears/Hol Pay	<u>NIL</u>
		NIL
	<b>UNSECURED CREDITORS</b>	
(91,390 80)	Trade & Expense Creditors	NIL
(10,575 38)	Employees	NIL
(12,060 00)	Director	NIL
(2,688 00)	HM Revenue & Customs - PAYE	NIL
(15,000 00)	HM Revenue & Customs - VAT	<u>NIL</u>
		NIL
	<b>DISTRIBUTIONS</b>	
(100 00)	Ordinary Shareholders	<u>NIL</u>
		NIL
<u>(134,968.24)</u>		<u>877.98</u>
	<b>REPRESENTED BY</b>	
	Bank 1 Current	<u>877 98</u>
		<u>877 98</u>



Michael Durkan  
Liquidator

**Agobuild Limited in Creditor's Voluntary Liquidation**

**1<sup>st</sup> Annual Progress Report**

**14 February 2013**

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## **1. INTRODUCTION**

- 1 1 I write further to the creditors' meeting held on 6 January 2012
- 1 2 The purpose of this report is to detail my acts and dealings together with the conduct of the liquidation since that meeting

## **2. BACKGROUND**

- 2 1 The members' and creditors' meetings were held on 6 January 2012, when I was appointed liquidator of the company
- 2 2 The company's registered office is 17 Berkeley Mews, 29 High Street, Cheltenham, GL50 1DY. The company registration number is 07084389
- 2 3 The company's former registered office was previously at The Quorum, Barnwell Road, Cambridge, CB5 8RE. The company's trading address was situated at The Quorum, Barnwell Road, Cambridge, CB5 8RE
- 2 4 The company's principal activity was construction. The company was set up to undertake small construction projects on a design and build operation
- 2 5 The main cause of failure was stated to be an inaccurate estimation of three projects undertaken by the company. Although the first two projects did not result in any overall losses, once the third project had been completed it became apparent that a shortfall had been suffered
- 2 6 With no new work coming in from which to recoup the company's losses, and with the simultaneous failure of two connected companies, the decision was taken to cease trading and voluntarily liquidate the company

## **3. ASSET REALISATIONS**

### **Book Debt**

- 3 1 At the time of my appointment there was one book debt due to the company in the sum of £2,000. The director advised that the debt was disputed and collection was unlikely, therefore for the sake of prudence the debt was written off for the purposes of the Statement of Affairs
- 3 2 Following my appointment I made attempts to collect the outstanding debt however no responses or payment were forthcoming. Whilst the director advised of some minor defects with the work completed, it was felt that there was scope to negotiate a settlement with the debtor. I instructed solicitors, Harrison Clark LLP to encourage a response from the debtor however after a period of correspondence no offer was forthcoming
- 3 3 The only option remaining was to issue court proceedings. Given the disputes raised and the sum involved, the costs and risks of pursuing the debt via this route outweighed any potential benefit and the matter was dropped on the advice of Harrison Clark LLP. No realisations are expected to be made in respect of the company's book debt

### **Intercompany Loan Account**

- 3 4 At the time of my appointment the sum of £90,608.56 was stated to be due to the company from Agora Design & Management Limited in respect of services provided. I was also appointed Liquidator of Agora Design & Management Limited on the same day. There was no

prospect of a dividend in the liquidation of Agora Design & Management Limited, and therefore no prospect of recovering the loan. This was reflected on the Statement of Affairs

- 3 5 My investigations into the affairs of Agora Design & Management Limited have led to the discovery of potential actions that could lead to further recoveries in the liquidation. In the event that significant realisations are made as a result of these actions, there is a small possibility that a proportion of funds will be paid to this liquidation in the form of a dividend. However my investigations are still in the early stages and the timing and quantum of any dividend is not known

#### **Cash at Bank**

- 3 6 At the time of my appointment there was a credit balance held in the company's bank account with National Westminster Bank plc ('NatWest') in the amount of £129 66, as per the Statement of Affairs
- 3 7 Following my appointment the sum of £117 32 was received in full from NatWest. The slight shortfall is due to the application of bank charges and there was not deemed to be any material benefit in querying the matter further. No further realisations are expected to be made in respect of the company's cash at bank

#### **Goodwill**

##### **Requirement of Statement of Insolvency Practice (SIP) 13 – Acquisition of assets of insolvent companies by directors**

- 3 8 In accordance with SIP 13, I am obliged to disclose the following information in relation to the sale of the goodwill
- The date of the transaction was 6 January 2012
  - The assets sold consisted of the company's goodwill, as represented by the name 'Agobuild'
  - The assets were sold to Agora (Newmarket) Limited (now ACD Projects Limited) for £1,000 plus VAT
  - The consideration was due to be paid in full by 31 January 2012
  - Payment was received in full on 6 February 2012
  - Alexander Charles Darvill, the sole director and shareholder of the company, is the sole director and shareholder of ACD Projects Limited
  - The company's goodwill had no value due to the insolvency of the company. The sale of the goodwill to the director's new company, ACD Projects Limited therefore resulted in higher realisations in the liquidation than would otherwise have been achieved

#### **Miscellaneous Receipts**

- 3 9 Bank interest of £0 66 (net of tax) has been received in the twelve month period to 5 January 2013 on funds held in the liquidation account

#### **4. INVESTIGATIONS**

- 4 1 I have completed my investigations into the affairs of the company in accordance with Statement of Insolvency Practice 2. Tasks undertaken in respect of my investigations include
- Analysis of bank accounts
  - Examining validity of any security granted by the company
  - Examining balance sheets and profit & loss accounts
  - Review of company books and records to include review of sales and purchase invoices

- Receiving enquiries from and dealing with matters brought to my attention by creditors or other third parties
- Making enquiries of and obtaining information from officers of the company

4 2 These investigations have led to the discovery of potential actions that may lead to recoveries being made into the liquidation. I have instructed solicitors, The Wilkes Partnership ('Wilkes') to assist and advise on the matter and their investigations are ongoing. It is not appropriate to report on the details of the potential actions at this stage as doing so could adversely affect the outcome.

4 3 My report on the conduct of the directors was submitted to the Insolvency Service on 3 July 2012. The content of the report is confidential and details will not be disclosed.

## **5. CREDITORS' CLAIMS**

### **Secured Creditors**

5 1 There are no secured creditors in this matter.

### **Preferential Creditors**

5 2 The preferential claims of employees as recorded on the Statement of Affairs amounted to £3,283.72.

5 3 No claim has been received from the Insolvency Service in respect of preferential elements of claims paid to employees by the Redundancy Payments Office.

5 4 Employees are not required to submit claims to me for sums due as their claims are automatic. The balance of preferential claims of employees remains at £3,283.72.

### **Non-preferential Creditors**

5 5 Unsecured creditors, as per the Statement of Affairs totalled £131,714.18.

5 6 A total of 11 creditors have submitted claims to date with an aggregate value of £151,847.42.

5 7 Please be advised that no work has yet been undertaken in respect of agreeing creditors' claims in this matter, as the prospects of a dividend are unknown.

## **6. DIVIDEND PROSPECTS**

6 1 The prospects of funds becoming available to pay a dividend to creditors after meeting the costs of the liquidation will depend on whether significant further realisations are made in respect of the potential actions.

## **7. COSTS AND EXPENSES**

7 1 Details of payments are shown on the receipts and payments account at Appendix 1.

7 2 In accordance with Statement of Insolvency Practice 9 the Liquidator must disclose the time spent and charge out value, together with, where appropriate, such additional information sufficient to provide an explanation of the time spent and fees drawn.

7 3 A schedule of my firm's disbursement recovery policy and list of typical charge out rates for each level of staff employed in the administration of this matter is attached at Appendix 2.

7 4 At the meeting of creditors held on 6 January 2012 it was resolved that the Liquidator's remuneration be fixed in accordance with time charges incurred together with authorisation to re-charge category 2 disbursements

7 5 My expenses incurred in the twelve month period to 5 January 2013 amount to £71 58 I have not been able to draw any expenses to date Details of the expenses incurred and recovered from the funds held are as follows,

Category 1	Incurred	Recovered	Not yet recovered
Postage	£8 68	£0 00	£8 68
<b>Category 2</b>			
Photocopying	£27 90	£0 00	£27 90
Stationery	£20 00	£0 00	£20 00
Facsimile	£10 00	£0 00	£10 00
Storage of records	£5 00	£0 00	£5 00
	<u>£71.58</u>	<u>£0.00</u>	<u>£71.58</u>

7 6 At a meeting of creditors held on 6 January 2012 it was resolved that payment shall be made out of the company's assets of the necessary expense of preparing the Statement of Affairs in the sum of £4,000 plus VAT No funds have been drawn to date in respect of the Statement of Affairs fee

7 7 Attached to this report at Appendix 2 is a time and charge out summary for the twelve month period to 5 January 2013 The hours charged to this case are in respect of the performance of the statutory duties of the Liquidator and attending to the matters detailed in this report

7 8 Time costs incurred to date amount to £5,460 00 This equates to 31 90 hours at an average hourly rate of £171 16 No remuneration has been paid to date

7 9 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

7 10 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

## 8. CONCLUSION

8 1 I shall be continuing my administration of the liquidation in order to continue in my efforts to investigate and pursue the potential recovery actions in this matter

8 2 When I have concluded all of the outstanding matters I will take steps to draw the liquidation to a close and a further report will be issued to you at that time

8 3 I shall be pleased to provide any additional information that you may reasonably require



Michael Durkan  
Liquidator

**APPENDIX 1**

**Liquidators' Receipts and Payments Account**



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

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		<u>(240 00)</u>	<u>(240 00)</u>
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		<u>NIL</u>	<u>NIL</u>
	<b>DISTRIBUTIONS</b>		
(100 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<b>(134,968.24)</b>		<b>877.98</b>	<b>877.98</b>
	<b>REPRESENTED BY</b>		
	Bank 1 Current		877 98
			<u>877.98</u>



Michael Durkan  
Liquidator

**APPENDIX 2**

**Analysis of time costs &  
Disbursement Recovery Policy**

# Time Entry - SIP9 Time & Cost Summary

AGOB01 - Agobuild Limited  
Project Code POST  
From 06/01/2012 To 05/01/2013

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.00	7.00	0.00	6.40	13.40	2,088.00	155.82
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	1.60	0.00	0.00	1.60	288.00	180.00
Investigations	1.00	7.20	0.00	3.50	11.70	2,016.00	172.31
Marketing	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Non Chargeable	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	5.20	0.00	0.00	5.20	1,068.00	205.38
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>1.00</b>	<b>21.00</b>	<b>0.00</b>	<b>9.90</b>	<b>31.90</b>	<b>5,460.00</b>	<b>171.16</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

## **Durkan Cahill Disbursements Recovery Policy**

### **Category 1 Disbursements**

Bordereau/Insurance	Charged at cost
Case Advertising	Charged at cost
Courier	Charged at cost
DTI IVA Registration Fee	Charged at cost
Subsistence	Charged at cost
Land Registry/ Co Searches	Charged at cost
Postage	Charged at cost
Post re-direction	Charged at cost
Travel	Charged at cost for public transport and taxis
Creditor Gateway Filing Fee	Charged at cost

### **Category 2 Disbursements**

Fax	£1 00 per page sent, based on the average cost of consumables, maintenance, line rental and call charges
Telephone	Record of outgoing calls to be made, calls charged at £1 00 per call made, based on estimated average cost of calls to land lines and mobile networks
Photocopying	15 pence per copy irrespective of size, based on the average cost of consumables and maintenance
Room Hire	£70 for room hire made available in house for creditors meetings, based on the cheapest external rate for room-hire used by the firm in the last 4 years External room hire charged at cost
Storage	£5 00 per box per annum, boxes are currently stored on the firms premises at 17 Berkeley Mews, 29 High Street, Cheltenham, GL50 1DY
Mileage	Car travel charged at 40 pence per mile
Stationery	Initial case set up fee of £20 per case Annual case/file maintenance charge of £10 These charges are based on the average costs involved in the purchase of files and associated stationary

### **Durkan Cahill Staff Charge Out Rates**

Principal	£300 per hour
Senior Manager	£240 per hour
Manager	£180 per hour
Assistant Manager	£150 per hour
Administrator	£120 per hour
Clerical	£60 per hour