

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

07415643

Name of Company

Chigwell (Shepherds Bush) Ltd formerly Floyd Construction & Development Ltd

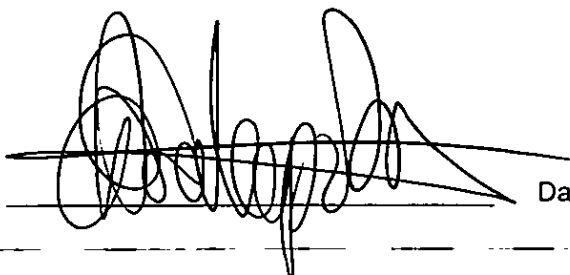
I / ~~We~~

Elizabeth Arakapotis, Mountview Court, 1148 High Road, Whetstone, London, N20 0RA

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 15/01/2016 to 14/01/2017

Signed



Date

15/03/2017

Kallis & Company
Mountview Court
1148 High Road
Whetstone
London, N20 0RA

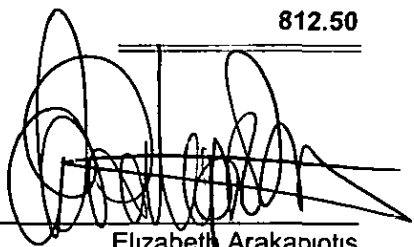
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THURSDAY



A24 *A62C7Z0W* 16/03/2017 #43
COMPANIES HOUSE

Chigwell (Shepherds Bush) Ltd formerly Floyd Construction & Development Ltd
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 15/01/2016 To 14/01/2017
	ASSET REALISATIONS	
	VAT Refund	312.50
3,000 00	Third Party Funds	<u>3,000 00</u>
		3,312 50
	COST OF REALISATIONS	
	Preparation of S. of A	<u>2,500.00</u>
		(2,500 00)
	UNSECURED CREDITORS	
(445,463 26)	Trade & Expense Creditors	NIL
(3,000.00)	Directors	<u>NIL</u>
		NIL
	DISTRIBUTIONS	
(50,000 00)	Ordinary Shareholders	<u>NIL</u>
		NIL
<u>(495,463.26)</u>		<u><u>812.50</u></u>
	REPRESENTED BY	
	Bank 1 Current Interest Bearing	812.50
		<u>812.50</u>
		<u><u>812.50</u></u>
		
		Elizabeth Arakapiotis Liquidator

CHIGWELL (SHEPHERDS BUSH) LTD FORMERLY FLOYD CONSTRUCTION & DEVELOPMENT LTD (IN LIQUIDATION)

**Liquidator's First Progress Report to Members and Creditors
For the year ending 14/01/2017**

Company name: Chigwell (Shepherds Bush) Ltd

Registered office: Mountview Court, 1148 High Road, Whetstone, London, N20 0RA

Former trading address: Unit 8, Hainault Business Park, Forest Road, Hainault, IG6 3JP

Registered number: 07415643

Liquidator's name: Elizabeth Arakapiotis

Liquidator's address: Mountview Court, 1148 High Road, Whetstone, London, N20 0RA

Liquidator's date of appointment: 15 January 2016

INTRODUCTION

Chigwell (Shepherds Bush) Ltd ("the Company") was placed into liquidation by a Special Resolution of the members followed by a meeting of the creditors convened under Section 98 of the Insolvency Act 1986 on 15/01/2016. This report provides an update on the progress in the liquidation for the year ended 14/01/2017.

The Company main trading activity was repairing and maintaining properties from premises at Unit 8, Hainault Business Park, Forest Road, Hainault, IG6 3JP. Difficulties arose due to there being a vast decrease in the sale price of the contracted work & material and labour construction price costs remaining the same, the company's profit margins were as a result affected. In addition, in June 2014 one of the company's clients commenced proceedings against the company for damages caused by the work that had been carried out. By February 2015 the company could simply not afford to continue trading. In order to avoid accruing further liabilities, the director decided to cease to trade, during which time the legal proceedings were still taking place, but the director was not aware of the level of claim to be raised, nor was the company in a position to continue trading until such claim was finalised.

On 12 November 2015 it was ordered that the company pay some £135,000 in this regard. With the company not having traded for some 9 months and therefore having no funds to settle this claim, the director, Mr Dean Anthony Floyd sought advice from Kallis & Co. Before the s98 meeting of members and creditors was held, a winding up petition was presented at court on 11th January 2016 to be heard at court on 29th February 2016. The director instructed solicitors to dismiss the petition and have the company remain in Creditor's Voluntary Liquidation.

According to the statement of affairs lodged in these proceedings, the assets of the Company had an estimated realisable value of £3,000, of which £3,312.50 has been realised to date. In the course of my administration, I have reviewed the Company's affairs to establish whether there were any potential undisclosed asset recoveries or conduct matters that justified further investigation. I have identified matters that require additional investigations as detailed below.

My report on the progress in the liquidation for the year ended 14/01/2017 follows, which should be read in conjunction with my previous correspondence with creditors.

RECEIPTS AND PAYMENTS

My Receipts & Payments Account for the period from 15/01/2016 to 14/01/2017 is attached at Appendix 1 and is further explained below.

As the Company was registered for VAT, all items are shown as net of VAT on the receipts & payments account, and the VAT was recovered for the benefit of the insolvent estate.

ASSETS

Third party funds

The sum disclosed as being third party funds represents the monies paid by the directors prior to my appointment towards my fee for convening and organising the meeting of creditors and assisting with the preparation of the statement of affairs

VAT Refund

£312.50 has been received in respect of a VAT Refund.

LIABILITIES

Secured Liabilities

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company has no current charges over its assets.

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 charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply

Preferential Creditors

The statement of affairs did not anticipate any preferential creditors. No claims have been received in this regard

Unsecured Creditors

The statement of affairs included 6 unsecured creditors with an estimated total liability of £448,463.26, of which HMRC had a nil value. I have received claims from 4 creditors at a total of £464,797.18. No claim has been received from HMRC. To date I have not received claims from 2 creditors with original estimated claims in the statement of affairs of £13,011.45.

It is currently uncertain whether there will be a dividend declared to non-preferential unsecured creditors. This will be dependent on further asset realisations in this matter.

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

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 them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

A sale of assets was agreed pre-liquidation with Chigwell (London) Limited, a connected party, by way of similar directorship of Mr Dean Floyd and Mark Floyd. From review of the company's records, the company has received the funds and there does not appear to be any issues in respect of this sale.

In addition, my initial assessment of the company records has identified unknown transactions that require further clarification from the company's directors. I am currently liaising with the director to establish what these transactions relate to

PRE-APPOINTMENT REMUNERATION

The Board previously authorised the payment of a fee of £2,500 plus VAT for assistance with preparing the statement of affairs, producing and circulating the notices for the meetings of members and creditors prior to my appointment at a meeting held on 15 January 2016. £750 plus VAT was paid by Kallis & Company to Brian G Lonis Ltd for their assistance with preparing accounts in connection with the statement of affairs.

Funds to pay the fee for the statement of affairs and meetings were advanced by the director. The fee was paid on appointment and is shown in the enclosed receipts and payments account

LIQUIDATORS' REMUNERATION

My remuneration was previously authorised by the creditors by a written resolution dated 26/02/2016. My remuneration was authorised on a time cost basis based on a fees estimate of £36,397.25. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs to 14/01/2017 amount to £12,472.75 representing 60.44 of hours work at an average charge out rate of £206.37 per hour. The actual average charge out rate incurred compares with the estimated average charge out rate of £224.47 in my fees estimate. I have not been able to draw any remuneration in this matter.

The following table highlights any significant differences between my estimated time costs and my time costs incurred to date for each category.

Description of categories	Estimated time	Estimated value of the time costs £	Blended charge out rate £	Actual time	Actual value of the time costs £	Actual blended charge out rate £
ADMINISTRATION (INCLUDING FINANCIALS)	92.35	£21,406.25	£231.79	32.04	£5,804.00	£181.15
INVESTIGATIONS	57.50	£13,447.50	£233.87	10.70	£2,500.00	£233.64
REALISATION OF ASSETS	2.00	£550.00	£275.00	0.25	£43.75	£175.00
CREDITORS	10.30	£2,330.50	£226.26	5.40	£1,465.00	£271.30
GRAND TOTAL FOR ALL CATEGORIES OF WORK	162.15	£36,397.25	£224.47	60.44	£12,472.75	£206.37

As mentioned in my initial report to creditors, the fee estimation includes potential time costs for all eventualities of the case. In this instance the actual time spent is significantly lower than that estimated due to the case not having reached those eventualities. My administration of this case is not yet complete, as such further time will be incurred until the liquidation is finalised.

ADMINISTRATION (Including Financials)

The estimated time under this category included time to be spent in preparing progress report to creditors. As this report has been prepared following the reporting period, the time to be included in this regard will be allocated to the period following this reporting period.

INVESTIGATIONS

The reason why the actual time spent is significantly lower than the estimated time is due to records, especially bank statements not being provided in time, preventing me from commencing my investigations in time and having these concluded by this point. In addition, following enquiries made with the director in respect of certain transactions identified once bank statements had been received, the director has been very prompt in providing me with responses.

My investigations are still ongoing in this regard and enquiries are still being made with the director.

REALISATION OF ASSETS

The reason less time has been spent than anticipated under this category, is due to the balance of bank being Nil and as a result there being no realisations which required to be pursued.

CREDITORS

The reason less time has been spent than anticipated under this category is due to no time being spent on admitting claims and paying dividends, as a result of there being no realisation achieved to grant a return to creditors

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' published by the Association of Business Recovery Professionals and 'Statement of Insolvency Practice 9' are available at the link <http://www.kallis.co.uk/services/creditors> Hard copies can be obtained on request to my office.

LIQUIDATORS' EXPENSES

As per my receipts and payments account various expenses have been incurred and paid which are detailed below, together with expenses which have yet to be paid Unpaid expenses will be written off due to lack of funds.

The disbursements listed are all Category 1 disbursements. My firm's disbursements recovery policy is attached as Appendix 3.

The following table details the disbursements that were incurred, paid and which remain outstanding in the Liquidation:

Disbursement	To date	
	Paid £	To be paid £
Office Holder's Expenses	-	174.75
Specific Bond	-	40.00
Postage	-	18 50

The following table shows a comparison of the estimated expenses with those incurred:

Nature of expense	Estimated expenses £	Expenses incurred to date £
Specific Bond	40.00	40.00
Statutory Advertising	169.50	174.75
Postage	6.00	18.50
Storage	15 00	0.00
Total	230.50	233.25

As at 14/01/2017 I anticipate that the total expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors. Once all outstanding matters are resolved, and the case can commence with closure, I anticipate exceeding the expenses estimate due to the the submission of the final report together with the relevant advertising and the posting of the final report to creditors

FURTHER INFORMATION

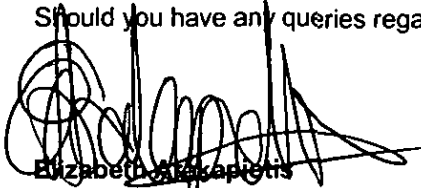
An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Liquidator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may 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 the investigation of the various transactions identified has been concluded. Once this issue has been dealt with the liquidation will be finalised and our files will be closed.

Should you have any queries regarding this matter please contact Orkida Aliaj on 020 8446 6699.



Elizabeth Katsapetis
LIQUIDATOR

PRACTICE FEE RECOVERY POLICY FOR KALLIS & COMPANY

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/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 information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be 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.kallis.co.uk. Alternatively a hard copy may be requested from Kallis & Company, Mountview Court, 1148 High Road, London N20 0RA. Please note, that we have provided further details in this policy document.

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. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" 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 some 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

When charging fees on a time costs basis 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.

Chargeout Rates

Grade of staff	Current charge-out rate per hour, effective from 01/10/2015	Previous charge-out rate per hour, effective from 01/10/2012 £	Previous charge-out rate per hour, effective from 01/10/2010 £
Partner – appointment taker	£340-375	£275-£335	£275-£320
Senior Manager	£285	£275	£275
Manager	£225	£170-£275	£170-£275
Senior/Case Administrator	£150-175	£90-£175	£90-£175
Support Staff	£85-100	£60-£85	£60-£85

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

These charge-out rates charged are reviewed on periodic basis and are adjusted to take account of inflation and the firm's overheads.

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. The work is generally recorded under the following categories:

Administration and Planning; Financials; Investigations; Realisation of Assets; Creditors; Trading; Case specific matters.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we continue to seek time costs for the majority of our cases.

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate, any additional work undertaken, or proposed to be undertaken, the hourly rates proposed for each part of the work, and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October

2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder'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.

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

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 Kallis & Company, 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	£50 per hour
Mileage	40p per mile
Storage	£15 per box per annum
Destruction Costs	£5.50 per box