

# Liquidator's Progress Report

Pursuant to Sections 92A, 104A and 192 of the  
Insolvency Act 1986

## S.192

To the Registrar of Companies

Company Number

07548579

Name of Company

(a) Insert full  
name of company

(a) A D CRAGG & SON LIMITED

(b) Insert full  
name(s)  
and  
address(es)

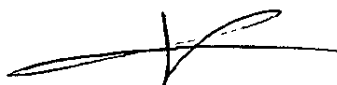
I / We (b) M Maloney and J M Tittley

of Leonard Curtis, Leonard Curtis House, Elms Square, Bury New Road, Whitefield, M45  
7TA

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 1 August 2014 to 31 July 2015

Signed



Date

30/09/15

Presenter's  
name, address  
and reference (if  
any)

Leonard Curtis,  
Leonard Curtis House,  
Elms Square, Bury New Road,  
Whitefield,  
M45 7TA  
Ref K/26/EE/SA612Q/115

THURSDAY



A19 01/10/2015 #179  
COMPANIES HOUSE



**LEONARD CURTIS**  
BUSINESS RESCUE & RECOVERY

**A.D. Cragg & Son Limited**  
**(In Creditors' Voluntary Liquidation)**

Company Registration Number: 07548579

Former Registered Office and Trading Address: 12 Danefield Road, Sale, Cheshire M33 7PL

**Joint Liquidators' Second Progress Report**  
**prepared pursuant to Section 104A of the Insolvency Act 1986**  
**(as amended) and Rule 4.49C of the Insolvency Rules 1986 (as amended)**

**30 September 2015**

**Leonard Curtis**

**Leonard Curtis House, Elms Square, Bury New Road, Whitefield, Manchester M45 7TA**

**Tel : 0161 413 0930 Fax 0161 413 0931**

**recovery@leonardcurtis.co.uk**

**Ref MM/ASP/EE/A612Q/1000**

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TO ALL MEMBERS, CREDITORS, DIRECTORS AND THE REGISTRAR OF COMPANIES

**1 INTRODUCTION**

- 1 1 M Maloney and J M Titley were appointed joint liquidators of A D Cragg & Son Limited ("the Company") at meetings of members and creditors held on 1 August 2013
- 1 2 Mr Maloney and Mr Titley are licensed in the UK by the Institute of Chartered Accountants in England and Wales
- 1 3 There has been no change in office holder since the date of liquidation
- 1 4 This report provides an update on the conduct of the liquidation for the period from 1 August 2014 to 31 July 2015, as required by Section 104A of the Insolvency Act 1986 (as amended) ("the Act") It contains details of the progress made, the expected outcome for creditors and other information that the joint liquidators are required to disclose and should be read in conjunction with the previous progress report dated 30 September 2014
- 1 5 All figures are stated net of VAT

**2 CONDUCT OF THE LIQUIDATION**

- 2 1 The Company's registered office was changed to Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG on 8 August 2013 and subsequently changed to Leonard Curtis House, Elms Square, Bury New Road, Whitefield M45 7TA on 30 June 2015

**Assets Realised**

**Bank Interest**

- 2 2 Bank interest of £47 has been received during the period of this report

**Assets Still to be Realised**

- 2 3 Since the last progress report dated 30 September 2014 the joint liquidators' have been made aware that incorporated within the balance at bank was the remaining debtor collections which were thought to be outstanding at the date of the joint liquidators' first progress report No further funds are expected to be realised in this regard

**3 RECEIPTS AND PAYMENTS ACCOUNT**

- 3 1 A summary of the joint liquidators' receipts and payments in the liquidation from 1 August 2014 to 31 July 2015 is attached at Appendix A

**4 OUTCOME FOR CREDITORS**

**Secured Creditors**

- 4 1 There are no secured creditors

**Preferential Creditors**

- 4 2 As at the date of liquidation, there were 14 preferential creditors, with estimated claims totalling £11,000
- 4 3 Claims totalling £10,723 have been received A first and final preferential dividend of 100 pence in the pound was paid on 4 December 2014

**Ordinary Unsecured Creditors**

- 4 4 As at the date of liquidation, there were 79 unsecured creditors, with estimated claims totalling £274,713 Claims totalling £162,418 have been received
- 4 5 The funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation As a result, there will be no dividend to the ordinary unsecured creditors
- 4 6 The joint liquidators have collated and acknowledged (where requested) the claims of the ordinary unsecured creditors, although, in view of the fact that there will be no distribution to this class of creditor, unsecured claims have not been formally agreed
- 4 7 No monies were paid to ordinary unsecured creditors by virtue of the application of Section 176(A) of the Act ("the prescribed part")

**5 INVESTIGATIONS**

- 5 1 As previously reported, following the initial assessment, no detailed investigations were considered to be required by the joint liquidators Nothing further has been brought to the attention of the joint liquidators during the period of this report
- 5 2 Notwithstanding the above, the joint liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority

**6 JOINT LIQUIDATORS' REMUNERATION, EXPENSES AND DISBURSEMENTS AND CREDITORS' RIGHTS**

**Remuneration**

- 6 1 A fee of £9,000 in respect of the preparation of the statement of affairs was approved by creditors at the meeting of creditors held on 1 August 2013 This has been paid in full Included within this amount was £1,000 paid to DTE Business Advisors and £2,000 paid to Harold Sharp Accountants for assistance provided in the preparation of the statement of affairs
- 6 2 At the same meeting, it was resolved that the joint liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the liquidation The joint liquidators' time costs from 1 August 2014 to 31 July 2015 are £18,276, which represents 74 1 hours at an average hourly rate of £246 64 Attached at Appendix B is a time analysis which provides details of the activity costs incurred by staff grade during the period from 1 August 2014 to 31 July 2015 Total time costs from the commencement of the liquidation amount to £38,004
- 6 3 Further guidance may be found in "A Creditors' Guide to Liquidators' Fees," which may be downloaded from <http://www.leonardcurtis.co.uk/resources/creditorsguides> If you would prefer to receive this in hard copy, please contact Emma Edgar of this office on 0161 413 0930

- 6.4 Fees totalling £33,500 have been drawn, £23,500 of which has been drawn during the year ending 31 July 2015

**Description of Significant Time Costs Incurred by Category**

**Statutory and Review**

- 6.5 This involved undertaking regular reviews of the case file to ensure all matters were being progressed and statutory requirements were met

**Receipts and Payments**

- 6.6 Time has been incurred by the joint liquidators, and their staff, in posting receipts received into the estate and preparing requests for funds to be paid from the estate. This also included reconciling all of the receipts and payments at regular intervals and dealing with post liquidation taxation matters

**Liabilities**

- 6.7 A substantial amount of time has been incurred by the joint liquidators, and their staff, in dealing with claims from creditors, general creditor queries and correspondence. Time has also been spent in calculating and paying the preferential dividend

**General Administration**

- 6.8 Time has been incurred in this category which included engaging in general correspondence and undertaking general day to day tasks during the liquidation

**Expenses and Disbursements**

- 6.9 The joint liquidators have incurred expenses and Category 1 disbursements (independent third party expenses paid and reimbursed to the joint liquidators, which do not require creditors' consent) as follows

Description	Total amount incurred to date £	Amount incurred in this period £	Amount reimbursed / paid £	Amount still to be reimbursed / paid £
Statutory Advertising	253 80	-	253 80	-
Mail Redirection	120 00	-	120 00	-
Money Laundering Searches	10 00	-	10 00	-
Storage Charges	214 76	126 84	214 76	-
Document Upload	14 00	7 00	14 00	-
Bordereau Fee	135 00	-	135 00	-
Companies House Searches	3 00	-	3 00	-
Software Licence Fee	75 00	-	75 00	-
Debt Collection Expenses	10,151 00	-	10,151 00	-
Agents' Valuation Fees and Expenses	10,698 27	-	10,698 27	-
Professional Fees	4,500 00	4,040 00	4,500 00	-
Corporation Tax	16 84	16 84	16 84	-
<b>Total</b>	<b>26,191 67</b>	<b>4,190 68</b>	<b>26,191 67</b>	

## A D. Cragg & Son Limited – In Creditors' Voluntary Liquidation

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- 6 10 Creditors also approved the basis for recharging disbursements that include an element of shared or allocated costs or payments to outside parties in which the joint liquidators or Leonard Curtis have an interest, also known as Category 2 disbursements. In this case, the following costs have been incurred

Description	Total amount incurred to date £	Amount incurred in this period £	Amount reimbursed £	Amount still to be reimbursed £
Mileage	34 75	-	34 75	-
<b>Total</b>	<b>34 75</b>	<b>-</b>	<b>34 75</b>	<b>-</b>

- 6 11 Attached at Appendix C is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade

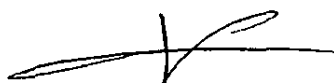
- 6 12 During the liquidation, the following professional advisors and / or subcontractors have been used

Name of Professional Advisor	Service Provided	Basis of Fees
DTE Business Advisors	Statement of Affairs Assistance	Fixed Fee
Harold Sharp	Statement of Affairs Assistance	Fixed Fee
EK Employment Law Consultants Ltd	ERA Assistance	Fixed Fee
Auctus Limited	Asset Recovery	Time Costs and Percentage of Realisations

### Creditors' Rights

- 6 13 Within 21 days of receipt of this report, a creditor may ask the joint liquidators to provide further information about the remuneration and expenses set out in this report. A request must be in writing, and may be made by a secured creditor, or an unsecured creditor with the concurrence of at least five per cent in value of the creditors (including that creditor), or the permission of the court
- 6 14 Any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the joint liquidators' remuneration is inappropriate, or the remuneration or expenses charged by the joint liquidators is excessive
- 6 15 The application must, subject to any order of the court under paragraph 6 14 above, be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question
- 6 16 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation

Yours faithfully  
for and on behalf of  
**A.D. CRAGG & SON LIMITED**



**M MALONEY**  
**JOINT LIQUIDATOR**

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

## APPENDIX A

## SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FROM 1 AUGUST 2014 TO 31 JULY 2015

	Estimated to Realise £	As at 31 July 2014 £	Movements in the Period £	Cumulative £
<b>RECEIPTS</b>				
Balance at Bank	7,082	34,607 31	-	34,607 31
Cash in Hand	3,278	6,166 80	-	6,166 80
Debtors	26,246	15,633 00	-	15,633 00
Stock	3,000	6,940 00	-	6,940 00
Fixtures and Fittings	500	4,916 67	-	4,916 67
Motor Vehicles	5,100	15,200 00	-	15,200 00
	<u>45,206</u>	<u>83,463 78</u>	-	<u>83,463 78</u>
 Rates Refund		2,225 90	-	2,225 90
Insurance Settlement		1,568 40	-	1,568 40
Domain Name		12 00	-	12 00
Bank Interest		84 22	47 41	131 63
		<u>87,354 30</u>	<u>47.41</u>	<u>87,401 71</u>
<b>PAYMENTS</b>				
Corporation Tax		-	16 84	16 84
Statutory Advertising		253 80	-	253 80
Mail Redirection		120 00	-	120 00
Storage Charges		14 25	200 51	214 76
Money Laundering Searches		10 00	-	10 00
Document Upload		7 00	7 00	14 00
Bordereau Fee		90 00	45 00	135 00
Companies House Searches		3 00	-	3 00
Software Licence		75 00	-	75 00
Mileage		23 50	11 25	34 75
Agents' Valuation Fees and Expenses		10,698.27	-	10,698 27
Professional Fees		460 00	4,040 00	4,500 00
Debt Collection Expenses		10,151 00	-	10,151 00
Finance Settlement		6,019 64	-	6,019 64
Statement of Affairs Fee		9,000 00	-	9,000 00
Joint Liquidators' Remuneration		10,000 00	23,500 00	33,500 00
<b>TOTAL COSTS AND CHARGES INCURRED</b>		<u>46,925 46</u>	<u>27,820 60</u>	<u>74,746 06</u>
 <b>DISTRIBUTIONS</b>				
14 Preferential Creditors (100p/£) 4 December 2014		-	10,723 14	10,723 14
		-	<u>10,723.14</u>	<u>10,723 14</u>
<b>BALANCE</b>		<u>40,428 84</u>	<u>(38,496 33)</u>	<u>1,932 51</u>
 <b>MADE UP AS FOLLOWS</b>				
Balance at Bank		37,899 81	(35,973 63)	1,926 18
VAT Control Account		2,529 03	(2,522 70)	6 33
		<u>40,428 84</u>	<u>(38,496 33)</u>	<u>1,932 51</u>



## APPENDIX B

## SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 1 AUGUST 2014 TO 31 JULY 2015

	Director			Senior Manager			Manager 2			Administrator 4			Total		Average Hourly Rate £
	Units	Cost £		Units	Cost £		Units	Cost £		Units	Cost £		Units	Cost £	
Statutory and Review	3	135 00		2	82 00		83	2,656 00		68	1,020 00		156	3,893 00	249 55
Receipts and Payments	-	-		-	-		68	2,176 00		125	1,875 00		193	4,051 00	209 90
Assets	-	-		-	-		-	-		26	390 00		26	390 00	150 00
Liabilities	27	1,215 00		-	-		126	4,032 00		163	2,445 00		316	7,692 00	243 42
General Administration	50	2,250 00		-	-		-	-		-	-		50	2,250 00	450 00
Total	80	3,600 00		2	82 00		277	8,864 00		382	5,730 00		741	18,276 00	
Average Hourly Rate (£)		<u>450 00</u>			<u>410 00</u>			<u>320 00</u>			<u>150 00</u>			<u>246 64</u>	

All Units are 6 minutes

## APPENDIX C

### LEONARD CURTIS CHARGE OUT RATES AND POLICY REGARDING STAFF ALLOCATION, SUPPORT STAFF, THE USE OF SUBCONTRACTORS AND THE RECHARGE OF DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

#### Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

The following hourly charge-out rates apply to all assignments undertaken by Leonard Curtis

	Standard £	Complex £
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

#### Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

#### Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

#### Disbursements

- a) Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- b) Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£66.09 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

## APPENDIX D

## PROOF OF DEBT – GENERAL FORM

A.D. Cragg & Son Limited	
Date of resolution for voluntary winding-up 1 August 2013	
1	Name of Creditor (if a company please also give company registration number )
2	Address of creditor for correspondence (Please include email address)
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into liquidation £
4	Details of any documents by reference to which the debt can be substantiated (Note There is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting )
5	If amount in 3 above includes outstanding uncapitalised interest please state amount £
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form )
7	Particulars of any security held, the value of the security, and the date it was given
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates
9	Signature of creditor or person authorised to act on his behalf  Name in BLOCK LETTERS  Position with or relation to creditor  Address of person signing (if different from 2 above)
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Joint Liquidator	Joint Liquidator