

The Insolvency Act 1986  
**Liquidator's Progress Report**

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

To the Registrar of Companies

For official use

--	--	--

Company Number

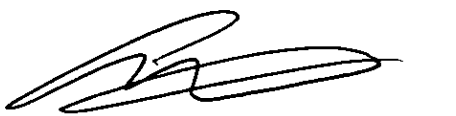
07811262

Name of Company

Capital Design Build Limited

I,  
Christopher Wood  
BHP Clough Corporate Solutions LLP  
New Chartford House  
Centurion Way  
Cleckheaton  
West Yorkshire  
BD19 3QB

the Liquidator of the Company attach a copy of my Progress Report under Section 192 of the Insolvency Act 1986



Signed

2/11/15

Date

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

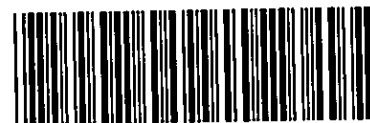
BHP Clough Corporate Solutions LLP  
New Chartford House  
Centurion Way  
Cleckheaton  
West Yorkshire  
BD19 3QB

0383

For Official Use

Liquidation

TUESDAY



\*A4KDLVMJ\*

A20

17/11/2015

#84

COMPANIES HOUSE

## **Capital Design Build Limited - In Liquidation**

**Annual Progress Report to Creditors pursuant to Section 104A of the  
Insolvency Act 1986 and Rule 4.49C of the Insolvency Rules 1986 (as amended)**

**BHP Clough Corporate Solutions LLP  
New Chartford House  
Centurion Way  
Cleckheaton  
West Yorkshire  
BD19 3QB**

**2 November 2015**

## **Contents**

	<b>Page</b>
1 Introduction	1
2 Background	1
3 Asset realisations	1 - 2
4 Related party transactions	3
5 Investigations	3
6 Creditors' claims	3
7 Dividend prospects	3
8 Costs and expenses	4
9 Conclusion	5

## **Appendices**

- 1) Receipts and Payments account for the period 22 September 2014 to 21 September 2015
- 2) Analysis of time costs for the period 22 September 2014 to 21 September 2015
- 3) Statement of expenses for the period 22 September 2014 to 21 September 2015
- 4) Liquidator's charge out rates and disbursements policy

## 1. INTRODUCTION

The purpose of this report is to detail my acts and dealings as Liquidator of Capital Design Build Limited ("the Company"), company number 07811262, for the period 22 September 2014 to 21 September 2015

## 2. BACKGROUND

Gareth James Lewis of Lewis Business Recovery and Insolvency ("the former Liquidator") was initially appointed as Liquidator of the Company on 11 July 2014. Following a general meeting of creditors of the Company Gareth Lewis was removed and I was appointed Liquidator on 22 September 2014.

I am also Trustee in Bankruptcy of Mr Keith Lowe, a former director of the Company.

The Company's former registered office was Suite E12, Joseph's Well, Westgate, Leeds, West Yorkshire, LS3 1AB being Lewis Business Recovery and Insolvency's address and this was changed to the address of this office on 16 October 2014. Prior to Liquidation the Company's registered office was 2 Sandsgate, Sunnybank Mills, Town Street, Farsley, West Yorkshire, LS28 5UJ and this was also the trading address of the Company.

The Company's principal activity was in heating and electrical installation.

## 3. ASSET REALISATIONS

According to the Statement of Affairs lodged in these proceedings, the assets of the Company had an estimated value of £2,276, which comprised of the following:

Assets	Estimated to Realise as per Statement of Affairs £	Realised to Date £	Estimated Further Realisations £
Book Debts	2,000 00	Nil	Nil
Former Director's Loan Account	Unknown	Nil	Nil
Rights of Action	N/A	Nil	Unknown
Loans	Unknown	Nil	Nil
Monies Held in Client Account	276 00	Nil	Nil
Bank Interest Gross	Nil	Nil	Nil
Transfer of Funds	Nil	263 05	Nil
<b>Totals</b>	<b>2,276.00</b>	<b>263.05</b>	Unknown

### 3.1 Book Debts

According to the Company's records, at the date of Liquidation there was an outstanding amount due from debtors in the sum of £8,349. The director estimated that only £2,000 of this was realisable due to disputed amounts. The former Liquidator realised £2,312.94 in respect of the book debts and therefore they are realised in full.

### 3.2 Former Director's Loan Account/Rights of Action

The Company's accounts for the year ended 31 October 2012 showed payments totalling £126,397 being made to a former director, Mr Keith Lowe ("KL")

Following further investigations I am of the opinion that the Company has a claim against KL in respect of payments authorised during the period that he acted as a director. KL petitioned for his own Bankruptcy on 11 November 2013. The majority of the payments identified were prior to this date therefore they will form an unsecured claim in his Bankruptcy. I have also instructed Prodicus Legal Limited to assist me with bringing misfeasance claims against the other directors in accordance with S212 of the Insolvency Act 1986. I am unable to give any further information at present as I do not wish to prejudice my position. These claims continue to be pursued.

### 3.3 Loans

The Company's management accounts as at 31 March 2014 indicated "loans" totalling £20,177. At the date of Liquidation the director stated they were unaware as to what these loans related to.

I have not received any further information regarding these loan accounts at this stage.

### 3.4 Transfer of Funds and VAT Receivable

The former Liquidator paid the sum of £263.05, being the balance of funds held by him after taking into account the realisation of the following assets and the following costs:

	£	£
<b>Asset Realisations</b>		
Book Debts		2,036.94
Monies Held in Client Account		276.00
Bank Interest Gross		0.11
		<hr/>
<b>Costs of Realisations</b>		
Statement of Affairs Fee	1,000.00	
Legal Costs	750.00	
Statutory Advertising	150.00	
	<hr/>	
		(1,900.00)
		<hr/>
		413.05
		<hr/>
<b>Represented By</b>		
Funds transferred to BHPCCS		263.05
VAT Receivable		150.00
		<hr/>
		413.05
		<hr/>

#### 4. RELATED PARTY TRANSACTIONS

There have been no transactions with related parties in this matter

#### 5. INVESTIGATIONS

An interim directors conduct report was submitted to the Department for Business, Innovation and Skills, (formerly the Department for Business Enterprise and Regulatory Reform) on 3 December 2014 and a final conduct report was subsequently submitted on 7 April 2015. The contents of this report are confidential and therefore I am precluded from disclosing details to creditors.

#### 6. CREDITORS CLAIMS

A creditor's guide to insolvency can be found at [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk).

##### 6.1 Secured Creditors

There were no secured creditors according to the Statement of Affairs.

##### 6.2 Preferential Creditors

There were no preferential creditors according to the Statement of Affairs, and none have subsequently come to light.

##### 6.3 Unsecured Creditors

The unsecured creditors, as per the Statement of Affairs totalled £755,661.84. I have received numerous proof of debt forms from unsecured creditors which total £505,707.49 and the details have been noted on my files.

Of the claims received the following claims are materially different to the values included on the Statement of Affairs:

	Statement of Affairs	Claim
	£	£
HM Revenue & Customs	89,954.98	288,558.65
Vodafone	Nil	7,422.63

I have not yet conducted a review of the unsecured claims for dividend purposes, however I will do so should a distribution to unsecured creditors become available.

#### 7. DIVIDEND PROSPECTS

Pursuant to Section 176A of the Insolvency Act 1986 where a floating charge is created on or after 15 September 2003 a prescribed part of the Company's net property shall be made available to unsecured creditors. As there are no floating chargeholders a prescribed part calculation is not appropriate in this case.

I am currently unaware as to whether realisations in this case will permit a dividend to be paid to any class of creditor. This is dependent on the success of any claims detailed in Section 3.2.

## **8. COSTS AND EXPENSES**

The payments shown on the summary of the Receipts and Payments at Appendix 1 are in the main self-explanatory, however I would comment as follows

### **8.1 Statement of Affairs**

Prior to my appointment as Liquidator Gareth Lewis was instructed by the directors to assist them in convening the meetings of members and creditors and preparing the Statement of Affairs. This fee was agreed at the creditors meeting in the sum of £4,000 plus VAT.

To date £1,000 plus VAT has been paid to Lewis Business Recover and Insolvency prior to my appointment with £3,000 plus VAT remaining outstanding.

### **8.2 Liquidators Remuneration**

I am entitled to draw remuneration as Liquidator in relation to this assignment as authorised by creditors at the Section 171 meeting in accordance with the following resolution

"That the Liquidator is authorised to draw his remuneration on a time costs basis and remuneration to be drawn on account from time to time at his discretion "

My time costs in dealing with the conduct of the Liquidation to 21 September 2015 are £55,196 represented by 289.30 hours, at an average hourly rate of £190.79. To date I have been unable to draw any monies in relation to these time costs due to insufficient funds.

A breakdown of the time costs incurred during the period of this report, in accordance with Statement of Insolvency Practice 9, is set out in Appendix 2 to this report.

### **8.3 Disbursements**

I have recovered disbursements that may include an element of overhead charges in accordance with the resolution passed by creditors at a meeting held on 22 September 2014. The basis of calculation of this category of disbursement was disclosed to creditors prior to the resolution being passed.

As at 21 September 2015 I have billed and been paid disbursements incurred in dealing with the assignment totalling £299.20 plus VAT, none of which are in relation to category 2 disbursements. These disbursements have been paid from my Office Account and I will recharge this amount when sufficient funds are available.

### **8.4 Legal Fees**

Prodicus Legal were instructed as legal advisors in relation to their assistance with the investigations into the Company's affairs and their general legal advice on all aspects of the case. Their costs have been agreed on the basis of their standard hourly charge out rates, plus disbursements and VAT. To date they have incurred £13,200 plus VAT in respect of their fees and £4,309.49 plus VAT in respect of their disbursements, which include Counsel's fees. Of the time costs incurred by my solicitors approximately £4,700 plus VAT has been incurred in relation to formal legal proceedings in respect of the rights of action detailed in Section 3.2. A conditional fee agreement is in place in respect of these proceedings, therefore costs in realisation to these proceedings will only become payable should there be a realisation following the proceedings.

A breakdown of costs and expenses incurred in the period, irrespective of whether they have been paid or not, is included at Appendix 3 to this report.

## 9. CONCLUSION

I shall be continuing my administration of the Liquidation and hope to finalise the outstanding matters that are preventing this case from being closed, being the continuation of my investigations and pursual of monies due to the Company from the former directors

Creditors and members have the right to request further information from the Liquidator under Rule 4.49E of the Insolvency Rules 1986 and also have the right to challenge my remuneration and expenses as Liquidator under Rule 4.131 of the Insolvency Rules 1986 following receipt of a progress report. Further details of these rights can be found in the Creditors Guide to Fees which are available in the Factsheets section of our website.

**<http://www.clough.co.uk/services/corporate-solutions>**

Alternatively a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information of 21 days following receipt of this progress report. There is a time limit of 8 weeks following receipt of this report for a Court application that the Liquidator's remuneration or expenses are excessive.



**Christopher Wood**  
Liquidator



**Capital Design Build Limited - In Liquidation**  
**Liquidator's Abstract of Receipts & Payments**

**From 22 September 2014 to 21 September 2015**

<b>Statement of Affairs</b>		<b>£</b>
<b>£</b>		
<b>RECEIPTS</b>		
<u>NIL</u>	Transfer of funds from former Liquidator	<u>263 05</u>
<u>NIL</u>		<u>263 05</u>
<b>PAYMENTS</b>		
	Statutory Advertising	169 20
	Computer System Disbursement	110 00
	Specific Bond	20 00
		<u>299 20</u>
<b>CASH IN HAND</b>		<u>(36 15)</u>
<b>REPRESENTED BY</b>		
	Current Account	263 05
	Office Account	(333 04)
	VAT Control Account	33 84
		<u>(36 15)</u>

Liquidator's Remuneration Schedule  
Capital Design Build Limited  
Between 22 September 2014 and 21 September 2015

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
<b>Administration &amp; Planning</b>							
Accountant	0.00	0.20	0.00	0.00	0.20	40.00	200.00
Accountant	0.00	0.00	0.00	0.70	0.70	84.00	120.00
Administrative Set Up	0.00	0.00	0.00	2.80	2.80	336.00	120.00
Annual Meeting/Report	0.00	1.00	0.00	0.00	1.00	200.00	200.00
Appointment	0.00	0.20	0.00	0.00	0.20	40.00	200.00
Appointment Notification	0.00	0.00	0.00	0.20	0.20	24.00	120.00
Bank/Lender	0.00	1.60	0.00	0.40	2.00	368.00	184.00
Bond	0.00	0.20	0.00	0.00	0.20	55.00	275.00
Books & Records	0.00	1.30	0.00	0.10	1.40	369.50	263.93
Case Reviews	0.00	1.30	0.00	0.00	1.30	275.00	211.54
Case Strategy Note	0.00	0.40	0.00	0.00	0.40	110.00	275.00
Cashiering	0.20	0.20	0.00	3.10	3.50	480.50	137.29
Checklists	0.00	3.70	0.00	0.00	3.70	777.50	210.14
Correspondence	0.40	1.60	0.00	0.80	2.80	538.00	192.14
Creditors Meeting	0.00	0.30	0.00	0.00	0.30	60.00	200.00
Diary Lines	0.00	1.10	0.00	0.00	1.10	242.50	220.45
Ethical Clearance	0.00	0.50	0.00	0.20	0.70	161.50	230.71
File Note	0.00	0.00	0.00	0.30	0.30	36.00	120.00
Filing	0.00	0.00	0.00	7.40	7.40	888.00	120.00
Former Liquidator	0.00	0.10	0.00	0.00	0.10	27.50	275.00
General	0.00	0.90	0.00	0.00	0.90	180.00	200.00
HM Revenue & Customs	0.00	0.20	0.00	0.80	1.00	136.00	136.00
Insolvency Practitioner	2.50	0.00	0.00	0.00	2.50	762.50	305.00
Insurers	0.00	0.00	0.00	0.20	0.20	24.00	120.00
Internal Meetings	0.00	0.30	0.00	0.00	0.30	82.50	275.00
Post Appointment letters	0.00	0.20	0.00	5.10	5.30	667.00	125.85
Post Appointment Matters	0.00	0.40	0.00	0.00	0.40	110.00	275.00
Registrar of Companies	0.00	0.10	0.00	0.60	0.70	99.50	142.14
Reviews	0.00	0.50	0.00	0.00	0.50	100.00	200.00
Solicitors	0.00	1.80	0.00	0.00	1.80	360.00	200.00
Strategy	0.20	0.00	0.00	0.00	0.20	61.00	305.00
Tax	0.00	0.10	0.00	0.00	0.10	27.50	275.00
Website	0.00	0.60	0.00	0.00	0.60	120.00	200.00
	<b>3.30</b>	<b>18.80</b>	<b>0.00</b>	<b>22.70</b>	<b>44.80</b>	<b>7,843.00</b>	<b>175.07</b>

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
<b>Case Specific Matters</b>							
Case Progression	0.00	1.40	0.00	0.00	1.40	385.00	275.00
	0.00	1.40	0.00	0.00	1.40	385.00	275.00
<b>Creditors</b>							
Bank	0.10	0.00	0.00	0.00	0.10	30.50	305.00
Claims	0.00	0.50	0.00	0.00	0.50	100.00	200.00
Correspondence and telephone calls	0.60	0.20	0.00	3.10	3.90	595.00	152.56
Creditor claims	0.00	0.00	0.00	1.10	1.10	132.00	120.00
General Creditors Meeting	4.00	0.60	0.00	16.70	21.30	3,389.00	159.11
HM Revenue & Customs	0.10	2.30	0.00	0.00	2.40	663.00	276.25
Input Creditors onto Insolv	0.00	0.00	0.00	1.10	1.10	132.00	120.00
Potential Creditor	0.00	0.30	0.00	0.00	0.30	60.00	200.00
Proxy forms	0.00	0.00	0.00	0.10	0.10	12.00	120.00
Sanction	0.00	0.40	0.00	0.00	0.40	110.00	275.00
Secured Creditors	0.00	0.20	0.00	0.00	0.20	55.00	275.00
	4.80	4.50	0.00	22.10	31.40	5,278.50	168.11
<b>General Advice</b>							
	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Investigations</b>							
Accountants	0.20	0.00	0.00	0.00	0.20	61.00	305.00
Agents	0.00	0.10	0.00	0.00	0.10	27.50	275.00
Analysis of financial records	0.00	8.30	0.00	8.20	16.50	2,644.00	160.24
Bank / Lender	0.00	4.00	0.20	1.30	5.50	1,035.00	188.18
Bank Statements	0.00	12.10	0.00	47.00	59.10	8,780.00	148.56
Books and records	2.00	7.40	0.00	5.80	15.20	3,161.00	207.96
CDDA Reports	1.50	0.00	0.00	0.00	1.50	457.50	305.00
Court hearings etc	3.50	0.00	0.00	0.00	3.50	1,067.50	305.00
Creditors	2.00	0.40	0.00	0.20	2.60	744.00	286.15
D Reports	2.20	24.50	0.20	3.80	30.70	6,968.00	226.97
Directors	1.20	0.00	0.00	1.40	2.60	534.00	205.38
Directors	0.00	1.10	0.00	0.00	1.10	280.00	254.55
Directors Loan Account	0.00	2.90	0.00	0.00	2.90	767.50	264.66
DVLA	0.00	0.10	0.00	0.00	0.10	27.50	275.00
Financial investigation	0.00	6.30	0.00	1.90	8.20	1,765.50	215.30
Former Liquidator	0.00	3.00	0.00	0.00	3.00	825.00	275.00
HM Revenue & Customs	0.00	1.20	0.00	0.00	1.20	315.00	262.50

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Insolvency Service	0.00	0.30	0.00	0.00	0.30	82.50	275.00
Insolvency Service	0.00	0.00	0.00	0.30	0.30	36.00	120.00
Insurers	0.00	0.20	0.00	0.00	0.20	55.00	275.00
Investigation of potential claims	2.50	0.00	0.00	2.10	4.60	1,014.50	220.54
Legal Matters	2.60	1.40	0.00	0.00	4.00	1,178.00	294.50
Official Receiver	0.00	0.00	0.00	0.50	0.50	60.00	120.00
Other Investigations	1.50	4.80	0.00	8.80	15.10	2,811.00	186.16
Potential claims	2.30	0.00	0.00	0.70	3.00	785.50	261.83
Secretary of State/Insolvency Service	0.00	0.00	0.00	0.70	0.70	84.00	120.00
SIP 2 Review	0.00	0.00	0.00	1.00	1.00	120.00	120.00
Solicitors	3.40	4.40	0.00	0.10	7.90	2,184.00	276.46
Vehicles	0.00	0.00	0.00	0.70	0.70	84.00	120.00
	<b>24.90</b>	<b>82.50</b>	<b>0.40</b>	<b>84.50</b>	<b>192.30</b>	<b>37,954.50</b>	<b>197.37</b>

Pre Appointment - Obtaining Information						
	0.00	0.00	0.00	0.00	0.00	0.00

Realisation of Assets						
Collection of book debts	0.00	0.30	0.00	0.00	0.30	82.50
Directors Loan Account	0.40	0.00	0.00	0.00	0.40	122.00
Legal Matters	0.00	2.40	0.00	0.00	2.40	660.00
Legal Proceedings	0.00	2.30	0.00	0.00	2.30	632.50
Legal Proceedings - Disclosure	0.00	0.00	0.00	10.40	10.40	1,248.00
Potential Claims	0.00	2.50	0.00	0.00	2.50	687.50
Sanction applications	0.00	0.30	0.00	0.00	0.30	82.50
Solicitors	0.00	0.80	0.00	0.00	0.80	220.00
	<b>0.40</b>	<b>8.60</b>	<b>0.00</b>	<b>10.40</b>	<b>19.40</b>	<b>3,735.00</b>
						<b>192.53</b>

Trading						
	0.00	0.00	0.00	0.00	0.00	0.00

<b>Total hours</b>	33.40	115.80	0.40	139.70	289.30	
<b>Time costs</b>	10,187.00	28,185.00	60.00	16,764.00	55,196.00	
<b>Average hourly rate</b>	305.00	243.39	150.00	120.00	190.79	

Summary of Fees			Hours	
Time spent in administering the Assignment				289.30
Total value of time spent to 21 September 2015			£	55,196.00
Total Liquidator's fees charged to 21 September 2015			£	NIL

**CAPITAL DESIGN BUILD LIMITED - IN LIQUIDATION**  
**STATEMENT OF EXPENSES FOR THE PERIOD 22 SEPTEMBER 2014 TO 21 SEPTEMBER 2015**

Expenses	Provider	Total paid at date of report (as per R&P) £	Costs incurred but not paid at date of report £	Total Expenses for the period £
Liquidator's Remuneration	BHP Clough Corporate Solutions LLP	0 00	55,196 00	55,196 00
Liquidator's Disbursements	BHP Clough Corporate Solutions LLP	0 00	0 00	0 00
Legal Fees	Prodicus Legal Limited	0 00	13,200 00	13,200 00
Legal Disbursements	Prodicus Legal Limited	0 00	4,309 49	4,309 49
Specific Bond	Marsh Limited	20 00	0 00	20 00
Statutory Advertising	Courts Advertising Limited	169 20	0 00	169 20
Computer System Disbursement	Visionblue Solutions	110 00	0 00	110 00
<b>Total</b>		<b>299.20</b>	<b>72,705.49</b>	<b>73,004.69</b>

**APPENDIX 4**  
**Liquidator's Charge Out Rates and Disbursements Policy**

## Office Holder's charging and disbursement policy from 1 June 2015

The Office Holder's remuneration is charged by reference to the time properly given by the Office Holder and his staff in attending to matters arising and is charged in minimum time units of 6 minutes

It is the Office Holder's policy to delegate tasks to appropriate members of staff considering their level of experience and any requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or the Office Holder himself.

Set out below are the relevant charge-out rates per hour worked for the Office Holder's staff actually or likely to be involved on these assignments. Time is charged by reference to actual work carried out on the assignment. There has been no allocation of any general costs or overhead costs.

Grade	£ per hour
Partner	275 - 305
Senior Manager	250 - 275
Manager	190 - 220
Executive	170
Analyst	130
Administration/Secretarial	40 - 120

In common with all professional firms, the scale rates used by the Office Holder may periodically rise (for example to cover annual inflationary cost increases) over the period of the assignment. Any material amendments to these rates will be advised to the creditors and any creditors' committee in the next statutory report.

Specialist departments within the associated businesses of Barber Harrison & Platt, BHP Clough & Company LLP, BHP Financial Planning Limited, Corporate Finance Services LLP, Figuresout Limited, ITWiser LLP, Project Search LLP and The Finance Brokerage LLP do sometimes charge a small number of hours, should we require their expert advice. Their rates do vary, however, the figures shown give an indication of the maximum rate per hour.

The Office Holder's firm's expenses policy allows for all properly incurred expenses to be recharged to the case. The policy relating to Category 2 disbursements is as follows:

### Category 2 disbursements

<b>Postage</b>	At cost – only charged for circulars to creditors or exceptional packages
<b>Storage</b>	At £0.50 per box per month
<b>Photocopying</b>	At 5 pence per side copied, only charged for circulars to creditors and exceptional amounts of copying
<b>Mileage</b>	At a maximum of 50 pence per mile (up to 2,000cc) or 70 pence per mile (over 2,000cc)
<b>Staff expenses</b>	These are only charged as they relate to the assignment and will generally be for subsistence or items charged at cost