



For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 9 0 5 4 1 1 8

Company name in full Hulk Scaffolding Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Mike

Surname Dillon

3 Administrator's address

Building name/number Leonard Curtis

Street Riverside House

Irwell Street

Post town Manchester

County/Region

Postcode M 3 5 E N

Country

4 Administrator's name ①

Full forename(s) Andrew

Surname Poxon

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street Riverside House

Irwell Street

Post town Manchester

County/Region

Postcode M 3 5 E N

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 2	^d 1	^m 0	^m 1	^y 2	^y 0	^y 2	^y 2
To date	^d 2	^d 0	^m 0	^m 7	^y 2	^y 0	^y 2	^y 2

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 1	^d 2	^m 0	^m 8	^y 2	^y 0	^y 2	^y 2
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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Rhuari Robb**

Company name **Leonard Curtis**

Address **Riverside House**

Irwell Street

Manchester

Post town

County/Region

Postcode **M 3 5 E N**

Country

DX

Telephone **0161 831 9999**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☒ The company name and number match the information held on the public Register.
- ☒ You have attached the required documents.
- ☒ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

HULK SCAFFOLDING LIMITED
(IN ADMINISTRATION)

Registered Number: 09054118

Court Ref: CR-2022-MAN-000057

High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD)

**Joint Administrators' First Progress Report in accordance
with Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

Report period
21 January 2022 to 20 July 2022

12 August 2022

Mike Dillon and Andrew Poxon - Joint Administrators
Leonard Curtis
Riverside House, Irwell Street, Manchester, M3 5EN
Tel: 0161 831 9999 Fax: 0161 831 9090
General email: recovery@leonardcurtis.co.uk
Ref: M/56/RR/H994K/1010

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NOT FOR PUBLICATION**

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 (“the Rules”) to provide creditors with an update on the progress of the Administration of Hulk Scaffolding Limited (“the Company”) for the period from 21 January 2022 to 20 July 2022. This is the Joint Administrators’ first progress report to creditors.

2 STATUTORY INFORMATION

- 2.1 Mike Dillon and Andrew Poxon were appointed as Joint Administrators of the Company in the jurisdiction of High Court of Justice Business and Property Courts in Manchester - Company & Insolvency List (CHD), number CR-2022-MAN-000057 on 21 January 2022. The Administration appointment was made by the Directors. The Joint Administrators can confirm that there has been no change in office-holder since the date of Administration.
- 2.2 The Administration is being handled by the Manchester office of Leonard Curtis, which is situated at Riverside House, Irwell Street, Manchester, M3 5EN.
- 2.3 The principal trading address of the Company was 83 Barton Road, Eccles, Manchester, M30 7AE. The business traded under its registered name.
- 2.4 The registered office address of the Company at the date of the appointment of the Joint Administrators was 70 Market Street, Tottington, Bury, Lancashire, BL8 3LJ. Following the appointment, this was changed to Riverside House, Irwell Street, Manchester, M3 5EN. The registered number of the Company is 09054118.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 The insolvency proceedings are COMI proceedings.

3 JOINT ADMINISTRATORS’ PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators’ approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Proposals were deemed approved by creditors on 17 February 2022.
- 3.3 There have been no major amendments to, or deviations from, the proposals during the course of the Administration to date.
- 3.4 The objective of the Administration is to realise property in order to make a distribution to one or more secured or preferential creditors.

- 3.5 The Joint Administrators are of the opinion that the objective will be achieved as it is anticipated that there will be sufficient realisations to enable a dividend to be declared to Secondary Preferential Creditors. At the commencement of the Administration, it was understood that there may have been Preferential Creditors in respect of this matter, however, in light of the preceding Company Voluntary Arrangement (“CVA”) that the Company was in, it has transpired that there were no preferential claims outstanding in the CVA, and no preferential claims are anticipated to be received in the Administration.

4 PROGRESS OF THE ADMINISTRATION

- 4.1 Attached at Appendix B is the Joint Administrators’ receipts and payments account for the period from 21 January 2022 to 20 July 2022.

Sale of Business

- 4.2 As previously reported to creditors, the business and assets of the Company, consisting of Book Debts, Work in Progress, Goodwill, Vehicle, Scaffolding and Equity in Finance Agreements, were sold on 21 January 2022 to Holcombe Homes Limited (CRN: 10012466) (“the Purchaser”). The Purchaser is a connected party within the definitions of sections 249 and 435 of the Insolvency Act 1986 (“the Act”) by virtue of the fact that the sole Director and Shareholder of the Purchaser, Zackary Thomas Clarkson is a Director and Shareholder of the Company.
- 4.3 The agreed sales consideration was £42,170.75, of which £8,434.15 was payable on completion followed by 4 further instalments of £8,434.15, with the full balance falling due on 21 May 2022. The deferred consideration is secured by way of a personal guarantee provided by the director, Mr Zackary Thomas Clarkson.
- 4.4 The sales consideration of £42,170.75 was apportioned as follows:

	£
Book Debts	29,102.50
Work In Progress	7,625.00
Scaffolding	3,192.25
Goodwill	1.00
Vehicle	1,250.00
Equity in Finance Agreements	1,000.00
Total	<u>42,170.75</u>

- 4.5 The sale consideration of £42,170.75 has been received in full, and no further funds are due in this regard. It should be noted that the Purchaser overpaid by £1 and this is currently being held with a view to repayment in due course.

Inter-Company Debtors

- 4.6 As previously reported to creditors, company records indicate an Inter-Company Debtor position totalling £374,220.93 as at 21 January 2022. The position is detailed below:

	£
Brickwork 365 Ltd	99,670.17
Scaffolding 365 Limited	17,455.65
Brickwork Contracting Services Limited	35,829.46
Newbuild 2015 Limited	221,091.38
Rendtec Limited	Nil
365 (2012) Ltd	173.57
Total	<u>374,220.93</u>

- 4.7 In the CVA proposal, dated 4 June 2019, Rendtec Limited were a debtor in the sum of £12,887 but are now identified in the Company records as being owed £17,807. It should be noted that following the presentation of a petition on 29 April 2020, Rendtec Limited was placed into Compulsory Liquidation on 14 September 2020.
- 4.8 The Joint Administrators are conducting further reconciliations of these debts and will take steps to recover sums due, as appropriate. The findings of the investigations will be detailed in future reports. However, the realisable value of these debts are entirely dependent on the financial position of the connected debtors.

Cash at Bank

- 4.9 The Company operated bank facilities with Barclays Bank Plc. A request has been sent to the bank following the appointment of the Joint Administrators for the account to be frozen. Company records indicate that the current account held a balance of £200.31 on appointment of the Joint Administrators.
- 4.10 The Joint Administrators have been liaising with the bank in respect of any credit balance and request that the funds are transferred to the Administration estate. Receipt of clarification of the balance at bank as at the date of appointment continues to be awaited. A further update in this respect will be provided in future progress reports.

Bank Interest

- 4.11 During the period of this report, bank interest totalling £44.93 has been received in respect of the funds held in the Administration case bank account.

5 ASSETS STILL TO BE REALISED

- 5.1 The remaining assets to be realised are in respect of the Inter-Company debtors as detailed at section 4.6 above.

6 INVESTIGATIONS

- 6.1 Following their appointment, the Joint Administrators considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its creditors, to identify any further possible realisations for the estate and what further investigations, if any, might be appropriate.
- 6.2 The Joint Administrators have reviewed the financial records as provided by the Company and are continuing to make enquiries in respect to certain matters to finalise their investigations. Further updates will be provided to creditors in our future progress reports.
- 6.3 Regardless of the above, the Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

7 JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

Pre-Administration Costs

- 7.1 On 24 June 2022, the unsecured creditors agreed to the following pre-Administration costs and expenses being paid as an expense of the Administration:

Charged by	Services provided	Total amount charged £	Total amount paid £	Total amount unpaid £
Leonard Curtis	Providing insolvency advice to the Directors and Company on the available options, attending meetings with management, instructing valuation agents, marketing the business and assets, negotiating and agreeing a sale of business and assets, review of sales and appointment documents	47,112.00	-	47,112.00
Cerberus Asset Management ("CAM")	Conducting a valuation of the Company's physical assets and providing a recommendation as to the sale	1,750.00	-	1,750.00
Cerberus Receivables Management ("CRM")	Conducting a valuation of the Work in Progress and Debtor Ledger and advising of the collectability and sale recommendation	7,500.00	-	7,500.00
Davis Blank Furniss LLP	Preparing and executing the required sales documentation, NOI and appointment documentation.	9,000.00	-	9,000.00
IP Bid	Advertisement of the business and assets	245.00	-	245.00
TOTAL		65,607.00	-	65,607.00

None of these costs have yet been paid, however they will be paid from the administration estate in due course.

Joint Administrators' Remuneration

- 7.2 On 24 June 2022, the unsecured creditors agreed that the basis of the Joint Administrators' remuneration be fixed by reference to time properly spent by them and their staff in attending to matters arising from the Administration for an amount not exceeding £85,700.00, as set out in a Fees Estimate.
- 7.3 The time charged by the Joint Administrators for the period of this report amounts to £43,377.00. This represents 134.6 hours at an average rate of £322.27 per hour. A summary of time costs incurred in the period is set out at Appendix C, together with a detailed description of work undertaken in the period, attributable to each category of time costs, and an explanation of why it was necessary for that work to be performed.
- 7.4 Attached, at Appendix D, is a summary of time costs incurred to date compared with time costs as set out in the Joint Administrators' original fees estimate.
- 7.5 You will note that time costs incurred to date do not exceed the time as set out in the Fees Estimate. As demonstrated at Appendix D, costs attributable to each category of time generally fall within those anticipated.
- 7.6 The Administration is not yet complete and it is therefore anticipated that further time costs will be incurred in dealing with this matter. The Joint Administrators do not anticipate that the Fees Estimate will be exceeded. However, should information come to light during the course of the Administration which means that the Joint Administrators will be required to undertake work not envisaged at the time that the Fees Estimate was provided, it may be necessary for the Joint Administrators to revert to the creditors for further approval. The information provided above is therefore for information purposes only.
- 7.7 Further guidance may be found in "Administration: A Guide for Creditors on Insolvency Practitioner Fees" (Version 1 – April 2021) which may be downloaded from:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>

7.8 If you would prefer this to be sent to you in hard copy please contact Rhuari Robb of this office on 0161 831 9999.

7.9 No remuneration has been drawn in respect of the Joint Administrators remuneration to date.

8 JOINT ADMINISTRATORS' EXPENSES

8.1 Creditors will recall that the Joint Administrators have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs). These are known as "Category 2 expenses" and are subject to the approval of the creditors.

Additionally, with effect from 1 April 2021, the Joint Administrators are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to associates of Leonard Curtis. Payments to associates are subject to the same level of approval as the office holder's fees and category 2 expenses and further details are included at Appendix E and F.

On 24 June 2022, the unsecured creditors also approved that category 2 expenses and payments to associates could be drawn by the Joint Administrators, as detailed at Appendix F.

8.2 A copy of the Joint Administrators' statement of likely expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix E.

8.3 You will note that, in general, the nature and value of expenses incurred to date fall within those anticipated within the original statement of expenses.

8.4 Attached at Appendix F is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade. Please be aware that the firm's charge out rates have been amended with effect from 1 March 2021.

8.5 Under Rule 18.9 of the Rules, within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with either the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or with the permission of the court, may make a written request to the Joint Administrators for further information about remuneration or expenses set out in this report.

8.6 Under Rule 18.34 of the Rules, any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured 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 Administrators' remuneration is inappropriate, or the remuneration or expenses charged by the Joint Administrators are, in all the circumstances, excessive.

8.7 The application must 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.

8.8 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 Administration.

9 ESTIMATED OUTCOME FOR CREDITORS

- 9.1 In order to assist the various classes of creditors in assessing the quantum of any dividend which may or may not be payable to them, we have produced an Estimated Outcome Statement. This is attached at Appendix G.

Secured Creditors

- 9.2 As previously reported, there are no Secured Creditors in this case.

Preferential Claims

- 9.3 The only categories of claims which have preferential status are those of employees in respect of wages and accrued holiday pay and certain pension contributions.
- 9.4 The Company employed 4 members of staff who were transferred to the Purchaser under the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") immediately following the sale of business and assets therefore mitigating preferential claims for wages and accrued holiday pay.
- 9.5 We understand that there are outstanding pension contributions that have been deducted from pay but not paid to the pension scheme from May 2020 to the date of appointment. Outstanding employee pension contributions for the four months preceding the relevant date of insolvency, being the date of Administration, can be claimed preferentially within the Administration. Preferential claims within the Administration total £225.60.
- 9.6 It is anticipated that preferential creditors will be paid in full.

Secondary Preferential Creditors

- 9.7 With respect to insolvencies commencing on or after 1 December 2020, HMRC will rank ahead of floating charge holders and unsecured creditors in respect of certain unpaid taxes that the relevant company collects on behalf of HMRC. These taxes are known as Priority Taxes and include:
- VAT;
 - PAYE (including student loan repayments);
 - Construction Industry Scheme deductions; and
 - Employees' NI contributions.
- 9.8 Company records detail c£197k is due to HMRC in respect of VAT and c£43k in respect of PAYE, which are deemed to be Priority Taxes. In respect of the CIS liability, c£144k is due to HMRC however the Company no longer held Gross Payment Status with effect from 14 August 2019 and management have advised that funds totalling £133k should be deducted in this respect. The Joint Administrators will liaise with HMRC to establish the set off position.
- 9.9 It is anticipated that there will be sufficient funds available to declare a dividend to secondary preferential creditors.

Prescribed Part

- 9.10 As the Company has no unsatisfied post-Enterprise Act charges, there will be no requirement to set aside a prescribed part in this case.

Unsecured Non-Preferential Claims

- 9.11 From April 2017, the Joint Administrators have had the discretion to admit claims from creditors with claims under £1,000 without receiving a proof of debt. The Joint Administrators confirm that, to date, no claims have been admitted under the small claims provisions.

9.12 At present, it is considered unlikely that there will be sufficient funds available to enable any form of distribution to unsecured creditors.

9.13 If you have not already done so, please submit details of your claim to my office. A proof of debt form is attached at Appendix H for your ease of use.

10 MATTERS STILL TO BE DEALT WITH

10.1 Matters still to be dealt with before conclusion of the Administration include the following:

- The realisation of the remaining assets, as detailed in sections 4 and 5;
- The formal agreement of Secondary Preferential Claims;
- A first and final distribution to the Secondary Preferential Creditors; and
- The unpaid remuneration and expenses will need to be defrayed.

11 EXTENSIONS TO THE ADMINISTRATION

11.1 The appointment of administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.

11.2 In certain circumstances it may be necessary to extend the administrators' term of office. In the context of this case, this may be done for a specified period not exceeding twelve months as follows:

a decision of the unsecured creditors in a decision procedure.

11.3 We do not believe that an extension to the Administration will be necessary in this case.

12 NEXT REPORT

12.1 The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

13 DATA PROTECTION

13.1 Finally, when submitting details of your claim in the administration, you may disclose personal data to the Joint Administrators. The processing of personal data is regulated in the UK by the General Data Protection Regulation EU 2016/679 as supplemented by the Data Protection Act 2018, together with other laws which relate to privacy and electronic communications. The Joint Administrators act as Data Controllers in respect of personal data they obtain in relation to this administration and are therefore responsible for complying with Data Protection Law in respect of any personal data they process. The Joint Administrators' privacy notice, which is attached to this report at Appendix I, explains how they process your personal data. Terms used in this clause bear the same meanings as are ascribed to them in Data Protection Law.

HULK SCAFFOLDING LIMITED – IN ADMINISTRATION

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully
for and on behalf of
HULK SCAFFOLDING LIMITED



MIKE DILLON
JOINT ADMINISTRATOR

Mike Dillon and Andrew Poxon are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 24610 and 8620, respectively

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company without personal liability.

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

1. The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration.
2. If appropriate, the Joint Administrators take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation ("CVL"). It is further proposed that the Joint Administrators in office at the date of conversion to CVL will become the Joint Liquidators of the Company, and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65(3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured creditors within the Administration.
5. In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured creditors. In these circumstances it is further proposed that the Joint Administrators in office at the date of conversion to compulsory liquidation will become the Joint Liquidators of the Company, and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them..
8. The Joint Administrators shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
21 JANUARY 2022 TO 20 JULY 2022**

	Estimated to realise £	This period £
RECEIPTS		
Book Debts	29,102.50	29,102.50
Scaffolding	3,192.25	3,192.25
Work In Progress	7,625.00	7,625.00
Goodwill	1.00	1.00
Vehicle	1,250.00	1,250.00
Equity in Finance Agreements	1,000.00	1,000.00
Cash at Bank	200.10	-
Inter-Company Debtors	n/k	-
Bank Interest	-	44.93
Receipt to Repay	-	1.00
	<u>42,170.75</u>	<u>42,216.68</u>
PAYMENTS		
None		-
		<u>-</u>
BALANCE IN HAND		<u>42,216.68</u>

**SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD
FROM 21 JANUARY 2022 TO 20 JULY 2022**

	Units	Average hourly rate £	Cost £
Statutory and Review	102	287.84	2,936.00
Receipts and Payments	45	277.67	1,249.50
Insurance, Bonding and Pensions	22	395.45	870.00
Assets	54	374.17	2,020.50
Liabilities	299	393.11	11,754.00
General Administration	180	237.81	4,280.50
Appointment	105	345.48	3,627.50
Post Appointment Creditors' Decisions	197	385.38	7,592.00
Investigations	342	264.53	9,047.00
	1,346	322.27	43,377.00

All Units are 6 Minutes

DESCRIPTION OF TIME SPENT BY CATEGORY

The work carried out during the period of this report to 20 July 2022 has comprised of the following categories.

Statutory and Review

This category of activity encompasses work undertaken for both statutory and case management purposes. Whilst this work will not directly result in any monetary value for creditors, it ensures that the case is managed efficiently and resourced appropriately, which is of benefit to all creditors.

- Case management reviews. These will be, and have been, carried out periodically throughout the life of the case. In the early stages of the case this involved weekly team meetings to discuss and agree case strategy and a month 1 review by the firm's Compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case has progressed, we have, and we will carry out further, regular reviews to ensure that the case has and is progressing as planned, and statutory and regulatory requirements are being adhered to;
- Liaising with the Directors in respect of their requirements to complete and submit for filing the sworn statement of affairs;
- Completion of handover documents and handover meeting to the progressions team. During the meeting, ongoing matters were discussed in regards to the future strategy of the prospective asset realisations and the respective matters to allow for the case to be progressed in a timely manner; and
- Liaising with our in-house Compliance team in respect of the Fee Approval request sought from the unsecured creditors.

Receipts and Payments

This category of work will not result in a direct financial benefit for creditors. However, close monitoring of case bank accounts is essential to ensure that bank interest is maximised where possible, estate expenses are properly managed and kept to a minimum and amounts payable to creditors are identified and distributed promptly.

- Opening of case bank account;
- Completion of tax notification documents relating to the Insolvency appointment;
- Reviewing and updating the Estimated Outcome Statement ("EOS") to ensure that all receipts have been correctly allocated;
- Reviewing and posting the funds received in respect of the sale of business pursuant to the terms of the sale agreement; and
- Liaising with instructed agents and third parties in respect of payments and costs due for work undertaken.

Insurance, Bonding and Pensions

Insolvency Practitioners are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pension schemes are there to protect the pension funds of Company employees. Whilst there is no direct financial benefit to Company creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of creditor.

- Calculation and request of Joint Administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations and is essentially an insurance policy to protect creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to unsecured creditors;
- Periodic review of bonding requirements to ensure that creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice; and
- Completion and submission of statutory notifications under the Pensions Act 2004. This includes liaising with the Company directors to establish the existence of Company pension schemes and making the statutory notifications under s22 and s120 of the pensions legislation.

Assets

The work set out in this category may bring a financial benefit for creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be set aside for the benefit of unsecured creditors) or may, depending on realisations, costs and the extent of any 3rd party security, result in a distribution to the preferential and / or unsecured creditors.

- Liaising with Company's bankers re pre-appointment bank accounts and requesting copy statements for all known accounts;
- Review of accounts to obtain information in relation to the inter-company debts due to the Company;
- Liaising with the Purchaser in respect of the sums due to the Administration estate under the agreed terms of the Sale and Purchase Agreement with regard to deferred consideration;
- Processing of the sums received in respect of the deferred monies due from the sale of business, and allocating funds as appropriate between the respective categories of assets on the receipts and payments account, being goodwill, motor vehicles, book debt, work in progress, scaffolding and equity in financed assets; and
- Liaising with third party asset provider.

Liabilities

This category of time includes both statutory and non-statutory matters and will not necessarily bring any financial benefit to creditors generally. The more employees and creditors a company has, the more time and cost will be involved in dealing with those claims.

Statutory

- Processing of claims from the Company's creditors – All claims received from the Company's prospective 24 creditors will be logged in the Administration. During the period of this report, 3 claims have been received and logged in the Administration. No claims have been admitted as yet and it is not anticipated that there will be sufficient realisations to allow for a distribution to be made to the unsecured creditors;
- Preparation, review and submission of the Initial Letter to Creditors pursuant to SIP16; and
- Preparation, review and submission of the Joint Administrators' Report and Statement of Proposals.

Non-statutory

- Dealing with enquiries from the Company's creditors by way of email and telephone regarding the prior Company Voluntary Arrangement of the Company; and
- Dealing with enquiries from the Company's employees by way of email and telephone.

General Administration

This category of work does not result in a direct financial benefit for creditors; however it is necessary for these tasks to be completed in order to ensure the smooth and efficient progression of the administration:

- Setting up and maintaining the administrators' records;
- Attending the Company premises to collect the Company records as requested by the Joint Administrators;
- Completion of inventory of company books and records held;
- Completion of review of financial and banking records held by the Company; and
- Dealing with general correspondence and communicating with directors and shareholders.

Appointment

There are certain tasks which the Joint Administrators have a statutory obligation to undertake during the administration process. Other tasks are completed in order to ensure the administration is progressed to the benefit of all creditors and stakeholders. Actions completed to date are both statutory and non-statutory and include the following:

- Completion and review of internal checklist with reference to appointment of Administrators and notification to all appropriate stakeholders and third parties;
- Statutory notifications to creditors and other interested parties following the Joint Administrators' appointment; and
- Statutory notifications to directors and Company following the Joint Administrators' appointment.

Post Appointment Creditors' Decisions

Agreeing and reporting on our proposals and fee basis is a statutory requirement. This work will not directly result in any financial benefit for creditors.

Work completed to date includes the following:

- Preparation, review and finalisation of Joint Administrators' Proposals for achieving a statutory purpose of the Administration;
- Preparation of Fees Estimate and Statement of Expenses in accordance with the Rules;
- Convening a decision by correspondence to agree Fees Estimate with appropriate body of creditors;
- Preparation and circulation of updated Fees Estimate and Statement of Expenses in accordance with the Rules, in light of no votes having been received at the time of initially circulating the Fees Estimate with the Proposals; and
- Reporting on outcome of voting.

Investigations

Some of the work administrators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ("CDDA") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations. It may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Administrator can pursue for the benefit of creditors.

- Reviewing the Company's financial records;
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the Company Directors Disqualification Act 1986;
- Completion of a bank statement review in respect of the accounts held in the Company's name;
- Conducting initial investigations into the Company's affairs and records to comply with SIP2 regulations; and
- Liaising with the directors in respect of enquiries relating to the financial records recovered.

**SUMMARY OF JOINT ADMINISTRATORS' TOTAL TIME COSTS TO 20 JULY 2022
INCORPORATING A COMPARISON WITH THE JOINT ADMINISTRATORS' APPROVED FEES ESTIMATE**

	FEES ESTIMATE			INCURRED TO 20 JULY 2022			VARIANCE
	Total			Total			Cost £
	Units No	Cost £	Average hourly rate £	Units No	Cost £	Average hourly rate £	
Statutory and Review	260	9,625.00	370.19	102	2,936.00	287.84	(6,689.00)
Receipts and Payments	138	4,787.50	346.92	45	1,249.50	277.67	(3,538.00)
Insurance, Bonding and Pensions	95	3,187.50	335.53	22	870.00	395.45	(2,317.50)
Assets	395	14,032.50	355.25	54	2,020.50	374.17	(12,012.00)
Liabilities	680	24,040.00	353.53	299	11,754.00	393.11	(12,286.00)
General Administration	160	5,462.50	341.41	180	4,280.50	237.81	(1,182.00)
Appointment	105	3,627.50	345.48	105	3,627.50	345.48	-
Post Appointment Creditors' Decisions	290	9,875.00	340.52	197	7,592.00	385.38	(2,283.00)
Investigations	307	11,062.50	360.34	342	9,047.00	264.53	(2,015.50)
	2,430	85,700.00	352.67	1,346	43,377.00	322.27	(42,323.00)

All Units are 6 Minutes

APPENDIX E

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FROM 21 JANUARY 2022 TO 20 JULY 2022
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Bond Fee	AUA Insolvency Risk Services	Insurance bond	135.00	135.00	135.00	-	135.00
Document Hosting*	Pelstar	Hosting of documents for creditors	84.00	70.00	70.00	-	70.00
Software Licence Fee*	Pelstar	Case management system licence fee	87.00	87.00	87.00	-	87.00
Statutory Advertising	Courts Advertising	Advertising	95.40	95.85	95.85	-	95.85
Storage Costs	Auctus Limited	Storage of books and records	150.00	-	-	-	-
Postage Costs	Postworks	Postage costs	100.00	59.29	59.29	-	59.29
		Total standard expenses	651.40	447.14	447.14	-	447.14

* Payment to Associate requiring specific creditor / committee approval if drawn after 1 April 2021

Case Specific Expenses

Type	Charged by	Description	Estimated Amount £	Total Amount Incurred to Date £	Amount Incurred in This Period £	Amount Paid £	Amount Unpaid £
Employment Advisors	Evolve IS Limited	Dealing with employee pension claims	350.00	-	-	-	-
Accountancy Fees	TBC	Costs of assisting the Company with the completion of the Statement of Affairs	1,000.00	-	-	-	-
Agents Fees and Expenses	Cerberus Receivables Management ("CRM")	Reconciliation of Inter-Company Loan Position	5,000.00	-	-	-	-
Agent's Fees	CAPA	Investigating refund from the local authority in respect of non-domestic rates refund	25% of any refund	-	-	-	-
Staff Mileage	Leonard Curtis Staff	Category 2 expense requiring specific creditor / committee approval	50.00	9.00	9.00	-	9.00
Swearing Fee	Bermans Solicitors	Costs of Swearing Notice of Appointment	10.00	10.00	10.00	-	10.00
		Total case specific expenses	6,410.00	19.00	19.00	-	19.00

LEONARD CURTIS POLICY REGARDING FEES AND EXPENSES

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

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 the appropriate body of creditors 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 as set out in a fees estimate, 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 request and obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rates given below.

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

	6 Jan 2014 onwards		1 Aug 2019 onwards		1 March 2021 onwards	
	Standard	Complex	Standard	Complex	Standard	Complex
	£	£	£	£	£	£
Director	450	562	525	656	550	688
Senior Manager	410	512	445	556	465	581
Manager 1	365	456	395	494	415	518
Manager 2	320	400	345	431	365	456
Administrator 1	260	325	280	350	295	369
Administrator 2	230	287	250	313	265	331
Administrator 3	210	262	230	288	245	306
Administrator 4	150	187	165	206	175	219
Support	0	0	0	0	0	0

In respect of assignments pre-dating 1 March 2022, office holders' remuneration may include costs incurred by the firm's in-house legal team, which may be used for non-contentious matters pertaining to the insolvency appointment.

Use of Associates

We are required to disclose to those responsible for approving our remuneration whether any payments we intend to make from an insolvency estate are to Associates of Leonard Curtis (LC). The term "Associate" is defined in s435 of the Insolvency Act 1986, but we are also required to consider the substance or likely perception of any association between the appointed insolvency practitioner, their firm (LC) or an individual within the firm and the recipient of a payment. Payments to Associates are subject to the same level of approval as the office holder's fees and category 2 expenses (see table on the next page for further details).

Leonard Curtis Legal Limited (LC Legal) are part of the LCBSG group; as such they are an "Associate" of LC. Where LC Legal are instructed to assist an office-holder in a particular matter from 1 March 2022 onwards, details of their proposed costs will be provided to creditors and specific approval for payments to associates will be sought.

Additionally, whilst not meeting the legal definition of "Associate" we are aware that there is a perceived association between LC and Pelstar Limited. Pelstar Limited provides insolvency case management software and document hosting facilities to LC. LC employs an individual who is married to a director of Pelstar Limited. Pelstar Limited's costs are set out in the expenses tables below.

Use of 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.

Use of Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

Categorisation of Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) Standard Expenses – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include:

Type	Description	Amount																								
AML checks via Smartsearch	Electronic client verification in compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017	£5.00 plus VAT per search Note that with effect from 1 April 2021, these costs are no longer recovered from the estate.																								
Bond / Bordereau fee via AUA Insolvency Services	Insurance bond to protect the insolvent entity against any losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches via Companies House	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Hosting of documents via a secure portal for access by creditors/shareholders. Costs are charged per upload plus VAT and are generally dependent upon the number of creditors. The costs are commensurate with those charged by other providers of comparable services.	<table><tr><th>Type</th><th>First 100</th><th>Every addtl 10</th></tr><tr><td>ADM</td><td>£14.00</td><td>£1.40</td></tr><tr><td>CVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>MVL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CPL</td><td>£7.00</td><td>£0.70</td></tr><tr><td>CVA</td><td>£10.00</td><td>£1.00</td></tr><tr><td>BKY</td><td>£10.00</td><td>£1.00</td></tr><tr><td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr></table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
Type	First 100	Every addtl 10																								
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BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Software Licence fee hosting via Pelstar Limited (see Use of Associates and Category 2 expenses)	Payable to software provider for use of case management system. The costs are commensurate with those charged by other providers of comparable services.	£87.00 plus VAT per case																								
Postage via Royal Mail or Postworks	Cost of posting documents which are directly attributable to a case to external recipients	Calculated in accordance with applicable supplier rates and dependent on the number of pages and																								

HULK SCAFFOLDING LIMITED – IN ADMINISTRATION

		whether the document is sent by international, first or second class post.
Post re-direction via Royal Mail	Redirection of post from Company's premises to office-holders' address	0-3 months £216.00 3-6 months £321.00 6-12 months £519.00
Statutory advertising via advertising agents	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£91.80 - £102.00 plus VAT per advert Dependent upon advert and publication
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include but may not be restricted to:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions. Where the solicitor appointed is LC Legal, any fee payable for work completed is classed as a payment to an associate and requires specific creditor / committee approval as detailed above.	Time costs plus disbursements plus VAT
Other expenses	See Category 1 and 2 expenses notes below	See Category 1 and 2 expenses notes below

Please note that expenses are generally categorised as Category 1 or Category 2:

- a) Category 1 expenses: These are payments to independent third parties providing the service to which the expense relate. These may include, for example, advertising, external room hire, storage costs, postage costs, telephone charges, travel expenses (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 expenses may be paid without prior approval.
- b) Category 2 expenses: These are costs that are directly referable to the appointment in question, but not paid to an independent third party. They may include costs which have an element of shared cost. The following items of expenditure are recharged on this basis and are charged at HMRC approved rates:

Business mileage

45p per mile

Payments to Associates (as defined above) are categorised by LC in the same way as Category 2 expenses. Category 2 expenses and payments to Associates may only be drawn if they have been approved in the same manner as an office holder's remuneration.

ESTIMATED OUTCOME STATEMENT

	Preferential £'000	Secondary Preferential £'000	Unsecured £'000
Amount available to class of creditor	1	0.8	Nil
Amount due to creditor per Estimated Financial Position	(0.2)	(385)	(240)
Estimated dividend rate (as a %)	100%	0.20%	0%

Proof of Debt – General Form
Relevant date: 21 January 2022

Please e-mail completed form to:

claims.manchester@leonardcurtis.co.uk quoting ref: H994K/RR/PROOF

Name of Company in Administration:

Hulk Scaffolding Limited

Company registered number:

09054118

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

HULK SCAFFOLDING LIMITED – IN ADMINISTRATION

7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

8. Details of any document by reference to which the debt relates

9. Signature of creditor (or person authorised to act on the creditor's behalf)

10. Date of signing:

11. Address of person signing (if different from 2 above)

12. Name in BLOCK LETTERS

13. Position with, or relation to, creditor

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.
3. **Please e-mail completed form to:**

claims.manchester@leonardcurtis.co.uk quoting ref: H994K/RR/PROOF

**LEONARD CURTIS
PRIVACY NOTICE FOR CREDITORS**

Information we collect and hold about you

By requesting details of your claim in this insolvency, we may collect Personal Data from you, particularly if you are a consumer creditor, a sole trader or are lodging a claim in your personal capacity.

Personal Data is information relating to a living individual. Whenever Personal Data is processed, collected, recorded, stored or disposed of it must be done within the terms of the General Data Protection Regulation ("the GDPR"). Examples of Personal Data include but may not be limited to your name, address, telephone number and email contact details.

If you do not provide us with the information we require, this may adversely affect our ability to deal with your claim, but we would ask you not to submit more Personal Data than we request from you.

Legal justification for processing your Personal Data

The processing of your Personal Data by us is necessary to enable us to comply with legal obligations under the Insolvency Act 1986 and associated legislation which we are subject to as Insolvency Practitioners.

How we use your information

All information you supply to us is required to enable us to comply with our duties under the Insolvency Act 1986 and associated legislation. It will be used to enable us to assess the extent of the insolvent entity's liabilities, to allow you to vote on any decision procedures, to enable us to communicate with you, to process your claim and to pay any dividends which may be due to you from the insolvent estate.

Who we share your information with

We may be required to share some of your Personal Data with other creditors. The data which will be shared with other creditors will be limited to that specifically required to be disclosed under insolvency legislation.

We may share some of your information with our Data Processors. Data Processors include solicitors, accountants and employment law specialists who assist us with our duties where required. We will only share your information with our Data Processors if we require their specialist advice. All of our Data Processors are subject to written contracts with us to ensure that your Personal Data is processed only in accordance with the GDPR.

How long will we hold your Personal Data for?

We will need to hold your Personal Data for a period of time after the insolvency has been concluded. This is to enable us to deal with any queries which might arise. Our Records Management Policy requires us to destroy our physical files 6 years after closure of the case. Electronic data files will be removed from our Case Management System 6 years after conclusion of the case but may be held on our server for a longer period of time but with restricted access.

Your rights in respect of your Personal Data

You have the right to request access to your Personal Data and to require it to be corrected or erased. You also have the right to request a restriction in the way we process your Personal Data or to object to its processing. You should be aware however that we may not be able to comply with your request if this would affect our ability to comply with our legal obligations.

You have the right to Data Portability. This is a right to have the Personal Data we hold about you to be provided to you in a commonly used and machine-readable format so that you can transfer that Data to another organisation in a way that is not too onerous to upload the Data.

Your right to complain

You have the right to be confident that we are handling your Personal Data responsibly and in line with good practice. If you have a concern about the way we are handling your Personal Data you should contact our Privacy Manager in the first instance.

If you are unable to resolve your concerns with us, you have the right to complain to the Information Commissioners' Office. The Information Commissioner can be contacted at Wycliffe House, Water Lane, Wilmslow, Cheshire SK6 5AF or on 0303 123 1113.

Contacting us

If you have any questions relating to the processing of your Personal Data, please write to our Privacy Manager at Leonard Curtis, 5th Floor, Grove House, 248A Marylebone Road, London NW1 6BB Alternatively our Privacy Manager can be contacted by telephone on 0207 535 7000 or by email: privacy@leonardcurtis.co.uk.

Data Controller: LEONARD CURTIS