

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

01569919

Name of Company

Macob Limited

+/ We

W John Kelly, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG

Nigel Price, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG

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 24/08/2015 to 23/08/2016

Signed



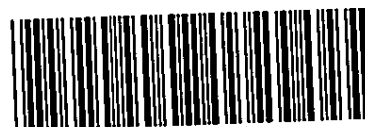
Date

19/10/16

Begbies Traynor (Central) LLP
3rd Floor
Temple Point
1 Temple Row
Birmingham
B2 5LG

Ref MA642CVL/WJK/NYP/MAM/LAC/PC

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COMPANIES HOUSE



Macob Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 24 August 2015 to 23 August 2016

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Macob Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The Company moving into creditors' voluntary liquidation from administration pursuant to Paragraph 83 of Schedule B1 to the Act
"the liquidators", "we", "our" and "us"	W John Kelly of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and Nigel Price of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s)	Macob Limited
Company registered number	01569919
Company registered office	Temple Point, 1 Temple Row, Birmingham, B2 5LG
Former trading address	Unit 2, Ynysbrdge Court, Gwaelod-y-Garth, Cardiff, CF15 9SS

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	24 August 2015
Date of liquidators' appointment	24 August 2015
Changes in liquidator (if any)	None

4. PROGRESS DURING THE PERIOD

The Company moved from Administration to Creditors Voluntary Liquidation on 24 August 2015 in order to continue pursuing the recovery of the contractual book debts and retentions whilst facilitating the recovery of the inter-company debtors

Attached at Appendix 1 is our abstract of receipts and payments for the period from 24 August 2015 to 23 August 2016

Receipts

Funds From Administration

Funds of £123,310 42 were transferred to the Liquidation estate shortly after conversion. These funds are the realisations remaining at the close of the Administration period

Bank Interest

Gross bank interest of £121 65 has accrued on the funds held in an interest-bearing bank account

Payments

Pension Advice

The sum of £1,800 has been paid to 20-20 Trustee Services Ltd during the liquidation period

Legal Fees

The sum of £2,650 (plus VAT) was paid to Eversheds LLP for legal advice given since the appointment of administrators and that had not been discharged during the administration period

Storage Costs

A significant number of books and records were recovered from the Company during the Administration period. The sum of £3,137 64 (plus VAT) has been paid to L&R Storage Ltd for the ongoing storage of records during the liquidation period. This is comparable to annual charges during the Administration period

Statutory Advertising

The sum of £42 30 (plus VAT) relates to the costs incurred when advertising the Liquidators' appointment following conversion from Administration

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details>. Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow

creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2

General case administration and planning

General case administration incorporates different categories such as cashiering, general case administration (filing, creditor correspondence) and dealing with sundry issues as and when they arise. Furthermore, this time cost comprises the maintenance of case files, undertaking case reviews incorporating compliance checks and dealing with general queries. During the period we have also undertaken the preparation of a statutory progress report and the corresponding documentation. Whilst this is not of direct financial benefit to creditors it is a statutory requirement.

Realisation of Assets

The Liquidators have continued to liaise with the instructed quantity surveyors, Leslie Keats, regarding the recovery of the contractual book debts and retentions. Although the outstanding debtors are due to submit their final accounts shortly, the agents no longer anticipate any further significant recoveries.

Investigations

We have a duty to submit a report to the Department of Business, Innovation and Skills in respect of the conduct of the directors. We have complied with our duties in this respect and have undertaken further investigations where necessary.

Other matters which includes meetings, tax, litigation, pensions and travel

The time incurred relates to the work undertaken and correspondence with the Company's accountants in respect of the Company's pre and post appointment Corporation Tax Liability. The Liquidators also instructed pension specialists to assist with matters relating to a company pension scheme. This has now been dealt with.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our statement of proposals. On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

Secured creditor

Barclays Bank plc ("Barclays") holds a fixed and floating charge registered against the Company. The Company was part of a wider group structure and operated within the group's loan and overdraft facility. On appointment, the group debt totalled £7,118,357 (before interest and charges). There was also a further loan of £2,100,000 that was guaranteed across the group.

Barclays have received £20,000 during the administration procedure in respect of its fixed charge. There have been no further distributions to Barclays during the liquidation so far.

There may be further distributions to Barclays from the Company and across the wider group of companies, albeit the quantum and timing of any further distribution is wholly dependent upon the realisations of land and property held in other members of the group, together with its contractual debts, retentions and inter-company debtors.

Preferential creditors

As previously reported, the Administrators received a claim from the Redundancy Payments Office for £50,006.49. Based on the representations made to the Company directors, we understand that all the employees were employed by Macob Administration Limited and not Macob Limited. Therefore, the claim has been rejected in full.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Details of how the prescribed part for unsecured creditors is calculated were provided in our statement of proposals and in subsequent progress reports.

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

Any return to the unsecured creditors is wholly dependent upon the realisation of the remaining land, buildings and profit share agreements held in other members of the group, together with the recovery of the contractual debts, retentions and the recovery of inter-company debtors.

6. REMUNERATION & DISBURSEMENTS

Our remuneration is treated as having been fixed on the same basis as the former administrators namely, by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up.

Pursuant to Statement of Insolvency Practice 9, we are also authorised to draw disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) on the same basis as the former administrators, namely, in accordance with our firm's policy, a copy of which is attached at Appendix 2 of this report.

Time Costs

Our time costs for the period from 24 August 2015 to 23 August 2016 amount to £9,347 which represents 41.8 hours at an average rate of £223.60 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Table of time spent and charge-out value for the period 24 August 2015 to 23 August 2016
- ☐ Begbies Traynor (Central) LLP's charging policy

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only.

To 23 August 2016, we have not drawn any remuneration.

Disbursements

To 23 August 2016, we have not drawn any disbursements, including those which should be treated as Category 2 disbursements

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

The following assets remain outstanding

- Contractual book debts including retentions,
- Recovery of inter-company debtors

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

Case administration and planning will continue for the duration of this assignment. This involves dealing with general correspondence and continuing file management. In addition, regular cashiering tasks and banking will continue to be undertaken for the duration of the case. There is no direct financial benefit to creditors but this work is necessary to administer the case properly.

We regularly conduct compliance and bond reviews to ensure that sufficient bond insurance is held and to ensure that statutory requirements are met. Statutory progress reports are also prepared during the liquidation to provide updates to all creditors. Whilst these activities are not of direct financial benefit to creditors they are a requirement of the insolvency legislation.

Realisation of assets

With the assistance of the instructed agents, the Liquidators will continue to pursue the recovery of the contractual debts and retentions whilst also monitoring the outcome of the other associated insolvency proceedings to assess the likelihood of intercompany debtor recoveries.

Dealing with all creditors' claims (including employees), correspondence and distributions

We shall continue to liaise with the secured creditors and with other classes of creditor as and when required. It will be necessary to arrange distributions to the secured creditors but based on the current estimated outcome no other class of creditor will receive a distribution.

Other matters which includes meetings, tax, litigation, pensions and travel

We will submit the necessary returns to HM Revenue & Customs as and when required

How much will this further work cost?

The amount of further cost is very much dependent on the time it takes to finalise the debtors and retentions whilst also monitoring the outcome of associated company insolvencies that could yield a return to the Company. We would estimate that further costs in the region of £5,000 - 10,000 may be incurred.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as follows:

- Storage of Records (annual cost) £3,000 (plus VAT)
- Advertising – Notice of Intention to Declare a Dividend (if applicable) and Final Meeting £200 (plus VAT)
- Postage £50

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for our remuneration is inappropriate

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner

A handwritten signature in black ink, appearing to read 'W John Kelly', with a long horizontal stroke extending to the right.

W John Kelly
Joint Liquidator

Dated 19 October 2016

APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 24 August 2015 to 23 August 2016

Macob Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 24/08/2015 To 23/08/2016
ASSET REALISATIONS	
Funds from the Administration	123,301 42
Bank Interest Gross	121 65
	<u>123,423 07</u>
COST OF REALISATIONS	
Pension Advice	1,800 00
Legal Fees (1)	2,650 00
Corporation Tax (Administration)	33 95
Storage Costs	3,137 64
Statutory Advertising	42 30
	<u>(7,663 89)</u>
	<u>115,759.18</u>
REPRESENTED BY	
Vat Receivable	201 24
Bank 1 Current	115,341 08
Vat Control Account	216 86
	<u>115,759.18</u>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's charging policy,
- b Time Costs Analysis for the period from 24 August 2015 to 23 August 2016

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

- (B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Birmingham office as at the date of this report are as follows

	Standard
	1 May 2011 – until further notice
	Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units

Macob Limited

Time costs analysis for the period from 24 08 15 to 23 08 16

Staff Grade	Hours							Total hours	Time cost £	Average hourly rate
	Partner	Director	Senior Manager	Manager	Assistant Manager	Senior Administrator	Junior Administrator			

Administration and planning

Appointment and case planning

Administration and banking

Statutory reporting and statement of affairs

Investigations

CDDA and investigations

Realisation of assets

Debt collection

Property, business and asset sales

Retention of Title/Third party assets

Trading

Trading

Creditors

Secured

Others

Creditors' committee

Other matters

Meetings

Tax

Litigation

Other

Total hours by staff grade

Total time cost by staff grade

Average hourly rate £

Total fees drawn to date

-	-	-	-	8 70	3 60	-	-	-	12 30	3,044	247 44
0 10	6 50	-	-	-	0 80	-	-	-	14 10	3,183	225 74
0 10	-	-	-	-	-	-	-	-	0 10	40	395 00

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-	-	-	-	-	7 30	-	-	-	7 30	1,497	205 00

0 20	6 90	-	-	10 00	16 00	-	-	-	8 70	41 80	-
79	2,381	-	-	2,650	3,280	-	-	-	957	-	223 60
395 00	345 00	-	-	265 00	205 00	-	-	-	110 00	-	-

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Pension Advice	20-20 Trustee Services	1,800	1,800	Nil
Legal Fees	Eversheds LLP	2,650	2,650	Nil
Statutory Advertising	Courts Advertising Limited	42 30	42 30	Nil
Storage costs	L & R Storage Limited	3,137 64	3,137 64	Ongoing
Postage	Royal Mail	0 00	302 32	302 32