

The Insolvency Act 1986

**Administrator's progress report**

Name of Company  
Macob Civil Engineering Limited

Company number  
02623634

In the  
High Court of Justice Chancery Division  
Companies Court  
[full name of court]

Court case number  
1654 of 2014

(a) Insert full name(s) and  
address(es) of the  
administrator(s)

I/We (a) 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, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG

administrator(s) of the above company attach a progress report for the period

(b) Insert dates

from

to

(b) 4 September 2014

(b) 31 January 2015

Signed

Joint / Administrator(s)

Dated

4 February 2015

**Contact Details**

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

Begbies Traynor (Central) LLP	
3rd Floor, Temple Point, 1 Temple Row, Birmingham B2 5LG	
	Tel Number 0121 200 8150
Fax Number 0121 200 8160	DX Number

You have completed and signed this form please send it to the Registrar of Companies at  
Companies House, Crown Way, Cardiff, CF14 3UZ  
DX 33050 Cardiff

THURSDAY



A14

19/02/2015

#402

COMPANIES HOUSE

W John Kelly and Nigel Price were appointed joint administrators on  
4 March 2014

The affairs, business and property of the Company are being  
managed by the joint administrators, who act as the Company's  
agents and without personal liability

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## **Macob Civil Engineering Limited (In Administration)**

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Progress report of the joint administrators pursuant  
to Rule 2.47 and 2.112 of The Insolvency Rules  
1986

Period: 4 September 2014 to 31 January 2015

## **Important Notice**

This progress report has been produced by the administrators solely to comply with their statutory duty to report to creditors on the progress of the administration. 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 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 Civil Engineering Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 4 March 2014
"the administrators", "we", "our", "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, 3 <sup>rd</sup> 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

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## 2. STATUTORY INFORMATION

Name of Company	Macob Civil Engineering Limited
Trading name(s)	As above
Date of Incorporation	25 June 1991
Company registered number	02623634
Company registered office	10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG

## 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators	W John Kelly, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG  And  Nigel Price, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
Date of appointment	4 March 2014
Date of resignation	n/a
Court	High Court of Justice Chancery Division Companies Court
Court Case Number	1654 of 2014
Person(s) making appointment / application	The directors
Acts of the administrators	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
EC Regulation on Insolvency Proceedings	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.
Extensions of the administration period	The administration has been extended by six months with the approval of the secured creditor to 3 September 2015.

## 4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 4 September 2014 to 31 January 2015, including a cumulative receipts and payments account from commencement of the Administration on 4 March 2014

There have been no transactions during the period of this report

## 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**

As previously reported, 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.

There have been no distributions from this company. There have been other distributions to Barclays from other members of the Group. We still anticipate that there will be further distributions to Barclays across the Group, however, the timing and quantum remains uncertain.

### **Preferential creditors**

As far as we are aware there are no known preferential creditors.

### **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 previous 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**

Based upon realisations to date and estimated future realisations there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

## 6. PRE-ADMINISTRATION COSTS

As previously reported, we have decided not to seek approval of the pre-administration costs that were unpaid at the date of our appointment in the total sum of £307.50 (plus VAT).

## 7. THE ADMINISTRATORS' REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by the secured creditor on 16 June 2014 in accordance with Rule 2 106(5A) of the Rules, by reference to the time properly given by us (as administrators) 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 administration. 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) in accordance with our firm's policy, details of which accompanied the Statement of Proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

Our time costs for the period from 4 September 2014 to 31 January 2015 amount to £2,173 which represents 10 10 hours at an average rate of £215 10 per hour.

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

- Narrative summary of time costs incurred
- Begbies Traynor (Central) LLP's policy for re-charging disbursements
- Begbies Traynor (Central) LLP's charge-out rates
- Table of time spent and charge-out value for the period 4 September 2014 to 31 January 2015
- Cumulative table of time spent and charge-out value for the period from 4 March 2014 to 31 January 2015

To 31 January 2015, we have not drawn any fees or disbursements. The total time costs to date amount to £5,963.

There have been no Category 2 disbursements or disbursements that should be treated as Category 2 disbursements incurred in this case to date.

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://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.

## 8. ADMINISTRATORS' EXPENSES

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

## 9. ASSETS THAT REMAIN TO BE REALISED

The following assets remain outstanding:

- Contract retention of £5,000,
- Recovery of inter-company debtors

We are continuing to pursue the retention debt which is now due and payable. Any return from the inter-company debtors remains uncertain as it is dependent upon realisations from the other group companies.

## 10. OTHER RELEVANT INFORMATION

### Extension of administration

The administration has been extended by six months with the approval of the secured creditor to 3 September 2015

## 11. CREDITORS' RIGHTS

### Right to request further information

Pursuant to Rule 2 48A 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 the administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been detailed in this progress report

### Right to make an application to court

Pursuant to Rule 2 109 of the Rules, any secured creditor or an 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 by the administrators as set out in this progress report are excessive or, in relation to the basis fixed for the administrators' remuneration, inappropriate

## 12. CONCLUSION

Paragraph 76 of Schedule B1 to the Act provides that the appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, the administrator's term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding six months

In order to ensure that the objective of the administration is achieved and that we have fully discharged our duties as administrators, it is necessary to extend the period of the administration. We have now obtained approval for the administration to be extended by six months to 3 September 2015 from the secured creditor

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

  
W John Kelly  
Joint Administrator

Dated 18 February 2015



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# ACCOUNT OF RECEIPTS AND PAYMENTS

Period 4 September 2014 to 31 January 2015

**Macob Civil Engineering Limited  
(In Administration)**

**Summary of Receipts & Payments**

RECEIPTS	Statement of Affairs (£)	From 04/03/2014 To 03/09/2014 (£)	From 04/09/2014 To 31/01/2015 (£)	Total (£)
		0 00	0 00	0 00
PAYMENTS				
		0 00	0 00	0 00
Net Receipts/(Payments)		0.00	0.00	0 00
MADE UP AS FOLLOWS				
		0 00	0 00	0 00

## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred,
- d Table of time spent and charge-out value for the period from 4 September 2014 to 31 January 2015 and
- e Cumulative table of time spent and charge-out value for the period from 4 March 2014 to 31 January 2015

## **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 guidance<sup>1</sup> 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 guidance<sup>2</sup> 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

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

<sup>2</sup> *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

	<b>Standard</b> <b>1 May 2011 –</b> <b>until further notice</b>
	<b>Regional</b>
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

## SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME Macob Civil Engineering Limited  
CASE TYPE ADMINISTRATION  
OFFICE HOLDERS W John Kelly and Nigel Price  
DATE OF APPOINTMENT 4 March 2014

### 1 CASE OVERVIEW

1 1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

#### 1 2 Complexity of the case

This is a complex case involving a group of companies of which eight companies have been placed into administration. This Company provided building and civil engineering services on developments across the South of England and South Wales. It had however, ceased to trade prior to our appointment.

#### 1 3 Exceptional responsibilities

None

#### 1 4 The office holders' effectiveness

The joint administrators continue to pursue the retention debt.

#### 1 5 Nature and value of property dealt with by the office holders'

The book value of the retention debt mentioned earlier is £5,000.

#### 1 6 Anticipated return to creditors

On present information there will be no return to any class of creditor.

#### 1 7 Time costs analysis

An analysis of time costs incurred between 4 September 2014 and 31 January 2015 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type.

The time costs analysis provides details of work undertaken by the office holders and their staff following their appointment only.

#### 1 8 The views of the creditors

Any queries from creditors have been dealt with in a timely manner.

#### 1 9 Approval of fees

We have obtained the consent of the secured creditor for our fees.

#### 1 10 Approval of Expenses and Disbursements

We have obtained the consent of the secured creditor for our expenses and disbursements.

**1 11 Category 2 Disbursements**

We have not incurred any Category 2 disbursements or disbursements which should be treated as Category 2 disbursements in this case to date

**1 12 Other professionals employed & their costs**

Eversheds LLP were instructed to provide assistance with the legal aspects of placing the companies into administration and all post appointment legal matters. Their fee will be based on a time cost basis.

**2 SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT**

Since the date of our last report, the following work has been carried out

- Carrying out all statutory duties including the preparation of the joint administrators' report,
- Dealing with creditor queries,
- Liaising with the retention debtor,
- Producing update reports for the Bank

MACOB CIVIL ENGINEERING LIMITED  
Time costs analysis for the period from 04 09 2014 TO 31 01 2015

1001



**MACOB CIVIL ENGINEERING LIMITED**

Staff Grade	Hours										Time cost £	Average hourly rate
	Partner	Director	Senior Manager	Manager	Assistant Manager	Senior Administrator	Administrator	Junior Administrator	Support	Total hours		
Administration and planning												
Appointment and case planning	-	-	-	1 00	3 30	1 50	-	-	-	5 80	1,204	207 59~
Administration and banking	-	-	-	0 10	0 80	-	-	-	1 10	2 00	312	155 75
Statutory reporting and statement of affairs	1 30	1 10	0 60	4 50	9 10	-	-	-	-	16 60	4,137	249 22
Investigations												
CDDA and investigations	-	-	-	-	1 30	-	-	-	-	1 30	267	205 00
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	-	-	-	-	-	-	-	-	0 40	0 40	44	110 00
Litigation	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total hours by staff grade												
	1 30	1 10	0 60	5 60	14 50	1 50	-	-	1 50	26 10		
Total time cost by staff grade												
	514	380	186	1,484	2,973	263	-	-	165		5,963	228 47
Average hourly rate £												
	395 00	345 00	310 00	265 00	205 00	175 00			110 00			
Total fees drawn to date												

## STATEMENT OF EXPENSES

There have been no transactions during the period of this report