

Liquidator's Progress Report

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

S.192

To the Registrar of Companies

Company Number

2713422

Name of Company

(a) Insert full
name of company

(a) H C S. (BUILDERS) LIMITED

Limited

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

I/ We (b) N A Bennett and A Duncan

of Leonard Curtis, Hollins Mount, Hollins Lane, Bury, Lancashire BL9 8DG

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 3 April 2013 to 2 April 2014

Signed



Date

23/05/2014

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

Leonard Curtis,
Hollins Mount,
Hollins Lane,
Bury,
Lancashire
BL9 8DG
Ref: K18/NN/NH714D/115

SATURDAY



A30

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24/05/2014

COMPANIES HOUSE

#379



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**H.C.S. (Builders) Limited
(In Creditors' Voluntary Liquidation)**

Company Registration Number. 2713422

Former Registered Office: Equity House, 4-6 Market Street, Old Harlow, Harlow, Essex CM17 0AH

Trading Address: 94 Brock Hill, Runwell, Wickford, Essex SS11 7NR

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

23 May 2014

Leonard Curtis

Hollins Mount, Hollins Lane, Bury BL9 8DG

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Ref NN/H714D/1040

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

1 INTRODUCTION

- 1 1 R Horton and M Healy were appointed joint liquidators of H C S (Builders) Limited ("the Company") at meetings of members and creditors held on 3 April 2012, Mr Horton has since left Leonard Curtis and following a block transfer order of the Court dated 24 October 2012, A J Duncan was appointed in his place
- 1 2 Mr Healy has also left Leonard Curtis and following a block transfer order of the Court date 22 November 2013, N A Bennett was appointed in his place
- 1 3 Mr Bennett is licensed in the UK by the Insolvency Practitioners Association and Mr Duncan is licensed in the UK by the Institute of Chartered Accountants in England and Wales
- 1 4 This report provides an update on the conduct of the liquidation for the period from 3 April 2013 to 2 April 2014, as required by Section 104A of the Insolvency Act 1986 (as amended) ("the Act") It contains details of the progress made, the expected outcome for creditors and other information that the joint liquidators are required to disclose and should be read in conjunction with the previous progress report dated 22 May 2013

2 CONDUCT OF THE LIQUIDATION

- 2 1 The Company's registered office was changed to One Great Cumberland Place, Marble Arch, London W1H 7LW on 21 March 2012

Assets Realised

Book Debts

- 2 2 Creditors will be aware that independent collection agents, Husband Collection Services Limited ("HCS"), were instructed to assist with the collection of the outstanding book debts
- 2 3 During the period 3 April 2013 to 2 April 2014, collections of £3,720 were made The remaining debtor had agreed to pay by instalments of £200 per month It would therefore have taken up to three years to collect the remaining balance and the collections would also be subject to the fees of HCS
- 2 4 A decision was therefore taken to sell the remaining debt to HCS A sum of £1,000 was agreed and the consideration was received in full on 9 December 2013

Bank Interest

- 2 5 Bank interest of £1 has been received during the period of this report

Assets Still to be Realised

- 2 6 There are no further assets to be realised in this instance
- 2 7 The case will be progressed to closure upon completion of the statutory matters

3 RECEIPTS AND PAYMENTS ACCOUNT

3 1 A summary of the joint liquidators' receipts and payments in the liquidation from 3 April 2013 to 2 April 2014 is attached at Appendix A

3 2 All figures are stated net of VAT

4 OUTCOME FOR CREDITORS

Secured Creditors

4 1 Barclays Bank Plc ("Barclays") held a debenture incorporating fixed and floating charges over the assets and business of the Company. The debenture was created on 18 May 2005 and registered at Companies House on 21 May 2005. The director, Mr Peter Hammond, provided Barclays with a personal guarantee for monies owing up to £240,000. The statement of affairs indicated that Barclays were owed £61,734.

4 2 There have been insufficient realisations to enable a distribution to Barclays under the terms of their security and therefore they are to suffer a significant shortfall.

Preferential Creditors

4 3 As at the date of liquidation, there were no preferential creditors.

4 4 No claims have been received.

Ordinary Unsecured Creditors

4 5 As at the date of liquidation, there were 12 unsecured creditors, with estimated claims totalling £187,213. Claims totalling £80,664 have been received.

4 6 The funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation. As a result, there will be no dividend to the ordinary unsecured creditors.

4 7 The joint liquidators have collated and acknowledged (where requested) the claims of the ordinary unsecured creditors, although, in view of the fact that there will be no distribution to this class of creditor, unsecured claims have not been formally agreed.

4 8 No monies were paid to ordinary unsecured creditors by virtue of the application of Section 176(A) of the Act ("the prescribed part").

5 INVESTIGATIONS

5 1 As previously reported, following the initial assessment, no detailed investigations were considered to be required by the joint liquidators. Nothing further has been brought to the attention of the joint liquidators during the period of this report.

5 2 Notwithstanding the above, the joint liquidators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

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

Remuneration

- 6 1 A fee of £6,500 in respect of the preparation of the statement of affairs was approved by creditors at the meeting of creditors held on 3 April 2012 £3,766 has been drawn, including £2,100 paid during the period of this report
- 6 2 At the same meeting it was resolved that the joint liquidators' remuneration be payable by reference to time properly given by them and their staff in attending to matters arising in the liquidation The joint liquidators' time costs from 3 April 2013 to 2 April 2014 are £4,615, which represents 18.8 hours at an average hourly rate of £245.51 Attached at Appendix B (i) is a time analysis which provides details of the activity costs incurred by staff grade during the period of this report
- 6 3 The time costs of the Closure Unit of Leonard Curtis from 3 April 2013 to 2 April 2014 are £96, which represents 0.3 hours at an average hourly rate of £320 Attached at Appendix B (ii) is a time analysis of the Closure Unit which provides details of the activity costs incurred by staff grade during the period of this report Total time costs from the commencement of the liquidation amount to £27,500
- 6 4 Further guidance may be found in "A Creditors' Guide to Liquidators' Fees," which may be downloaded from <http://www.leonardcurtis.co.uk/resources/creditorsguides> If you would prefer to receive this in hard copy, please contact Natasha Nolan of this office on 0161 767 1250
- 6 5 To date, there have been insufficient realisations in the liquidation with which to pay the joint liquidators' remuneration

Description of Significant Time Costs Incurred by Category

Post Appointment Creditor Reporting

- 6 6 Time has been spent preparing and reviewing the joint liquidators' annual progress reports, which have been circulated to all known creditors

Expenses and Disbursements

- 6 7 The joint liquidators have incurred expenses and Category 1 disbursements (independent third party expenses paid and reimbursed to the joint liquidators, which do not require creditors' consent) as follows

H.C.S. (Builders) Limited– In Creditors' Voluntary Liquidation

Description	Total amount incurred to date	Amount incurred in this period	Amount reimbursed / paid	Amount still to be reimbursed / paid
	£	£	£	£
Agents' Commission and Expenses	507 00	-	507 00	-
Bailiff Allowance Fee	120 00	120 00	120 00	-
Debt Collection Fees	1,410 00	1,410 00	1,410 00	-
Companies House Searches	6 00	-	-	6 00
Storage Costs	2 00	-	-	2 00
Bordereau Fee	41 66	16 66	-	41 66
Statutory Advertising	229 50	-	-	229 50
Software Licence	75 00	-	-	75 00
Total	2,391 16	1,546.66	2,037.00	354 16

- 6 8 Creditors also approved the basis for recharging disbursements that include an element of shared or allocated costs or payments to outside parties in which the joint liquidators or Leonard Curtis have an interest, also known as Category 2 disbursements. In this case, the following costs have been incurred

Description	Total amount incurred to date	Amount incurred in this period	Amount reimbursed / paid	Amount still to be reimbursed / paid
	£	£	£	£
Staff Mileage	67 50	-	-	67 50
Total	67 50	-	-	67.50

- 6 9 Attached at Appendices C (i) and C (ii) is additional information in relation to the firm's policy on staffing, the use of subcontractors, disbursements and details of current charge-out rates by staff grade

- 6 10 During the liquidation, the following professional advisors and / or subcontractors have been used

Name of Professional Advisor	Service Provided	Basis of Fees
Husband Collection Services Limited	Book Debt Collections	Percentage of realisations
GPB Solicitors LLP	Legal Advice	Time costs
AgentCite Limited	Asset Valuation	Fixed fee and Percentage of realisations

Creditors' Rights

- 6 11 Within 21 days of receipt of this report, a creditor may ask the joint liquidators to provide further information about the remuneration and expenses set out in this report. A request must be in writing, and may be made by a secured creditor, or an unsecured creditor with the concurrence of at least five per cent in value of the creditors (including that creditor), or the permission of the court
- 6 12 Any secured creditor, or any unsecured creditor with either the concurrence of at least 10 per cent in value of the creditors (including that creditor) or the permission of the court, may apply to the court, on the grounds that the basis fixed for the joint liquidators' remuneration is inappropriate, or the remuneration or expenses charged by the joint liquidators is excessive

H.C.S. (Builders) Limited– In Creditors' Voluntary Liquidation

- 6 13 The application must, subject to any order of the court under paragraph 6 12 above, be made no later than eight weeks after receipt of the progress report that first reports the fee basis, the charging of the remuneration or the incurring of the expenses in question
- 6 14 Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation

Yours faithfully
for and on behalf of
H.C.S. (BUILDERS) LIMITED


N A BENNETT
JOINT LIQUIDATOR

Licensed in the UK by the Insolvency Practitioners Association

APPENDIX A

SUMMARY OF JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS FROM 3 APRIL 2013 TO 2 APRIL 2014

	Estimated to Realise	As at 2 April 2013	Movements in the Period	Cumulative
	£	£	£	£
RECEIPTS				
Other Debtors	Uncertain	-	-	-
Office Furniture and Equipment	500	570 00	-	570 00
Book Debts	28,200	1,980 00	3,720 00	5,700 00
	<u>28,700</u>	<u>2,550 00</u>	<u>3,720 00</u>	<u>6,270 00</u>
Bank Interest		0 41	1 29	1 70
Balance at Bank		17 16	-	17 16
		<u>2,567 57</u>	<u>3,721.29</u>	<u>6,288 86</u>
PAYMENTS				
Agents' Commission and Expenses		507 00	-	507 00
Bailiff Allowance Fee		-	120 00	120 00
Debt Collection Fees		-	1,410 00	1,410 00
Statement of Affairs Fee		1,666 00	2,100 00	3,766 00
TOTAL COSTS AND CHARGES INCURRED		<u>2,173.00</u>	<u>3,630 00</u>	<u>5,803 00</u>
BALANCE		<u>394.57</u>	<u>91 29</u>	<u>485 86</u>
MADE UP AS FOLLOWS				
Balance at Bank		73 97	(43 51)	30 46
VAT Control Account		320 60	134 80	455 40
		<u>394.57</u>	<u>91 29</u>	<u>485 86</u>

APPENDIX B(i)

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 3 APRIL 2013 TO 2 APRIL 2014

	Director		Senior Manager		Manager 2		Administrator 2		Administrator 3		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	14	595 00	-	-	4	114 00	17	357 00	-	-	-	-	35	1,066 00	304 57
Receipts & Payments	-	-	-	-	-	-	6	126 00	4	76 00	12	162 00	22	364 00	165 45
Assets	-	-	-	-	-	-	11	231 00	24	456 00	-	-	35	687 00	196 29
General Administration	-	-	-	-	-	-	1	21 00	7	133 00	-	-	8	154 00	192 50
Post Appointment Creditor Reporting	-	-	15	577 50	40	1,140 00	-	-	33	627 00	-	-	88	2,344 50	266 42
Total	14	595 00	15	577 50	44	1,254 00	35	735 00	68	1,292 00	12	162 00	188	4,615 50	
Average Hourly Rate (£)	425 00		385 00		285 00		210 00		190 00		135 00		245 51		

All Units are 6 minutes

APPENDIX B(ii)

SUMMARY OF JOINT LIQUIDATORS' TIME COSTS FROM 3 APRIL 2013 TO 2 APRIL 2014 (CLOSURE UNIT)

	Manager 2		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	
Statutory & Review	3	96.00	3	96.00	320.00
Total	3	96.00	3	96.00	
Average Hourly Rate (£)		320.00		320.00	

All Units are 6 minutes

APPENDIX C(i)

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

Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case.

Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

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

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis.

With effect from 6 Jan 2014	Standard £	Complex £	7 May 2012 to 5 Jan 2014	Standard £	Complex £
Director	450	562	Director	425	531
Senior Manager	410	512	Senior Manager	385	481
Manager 1	365	456	Manager 1	330	412
Manager 2	320	400	Manager 2	285	356
Administrator 1	260	325	Administrator 1	230	287
Administrator 2	230	287	Administrator 2	210	262
Administrator 3	210	262	Administrator 3	190	237
Administrator 4	150	187	Administrator 4	135	168
Support	0	0	Support	0	0

Subcontractors

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

Professional Advisors

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

Disbursements

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

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Room Hire	£100
Storage of office files (6 years)	£88.75 per box
Business mileage	45p per mile

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

APPENDIX C(ii)

LEONARD CURTIS CHARGE OUT RATES AND POLICY REGARDING STAFF ALLOCATION, SUPPORT STAFF, THE USE OF SUBCONTRACTORS AND THE RECHARGE OF DISBURSEMENTS (CLOSURE UNIT)

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

Staff Allocation and Support Staff

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

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

With effect from 6 January 2014, the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

With effect from 6 Jan 2014	Standard £	Complex £	1 Jan 2012 to 5 Jan 2014	Standard £	Complex £
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Senior Manager	410	512	Senior Manager	385	481
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Administrator 2	230	287	Administrator 2	210	262
Administrator 3	210	262	Administrator 3	190	237
Administrator 4	150	187	Administrator 4	135	168
Support	0	0	Support	0	0

Subcontractors

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

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

Disbursements

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

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

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