

The Insolvency Act 1986

## Statement of administrator's proposals

Name of Company  
Macob (Southern) Limited

Company number  
02719531

In the  
High Court of Justice, Chancery  
Division, Companies Court

[full name of court]

Court case number:  
1659 of 2014

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

+/ We, (a) W John Kelly of Begbies Traynor (Central) LLP, 10th 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

\* Delete as applicable

attach a copy of ~~\*my~~ / our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 25 April 2014

Signed

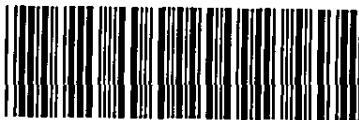
Joint / Administrator(s)

Dated 25 April 2014

### 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	
10th Floor, Temple Point, 1 Temple Row Birmingham	
	Tel 0121 200 8150
Fax Number 0121 200 8160	DX Number



\*A36V19CL\*

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30/04/2014

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COMPANIES HOUSE

When 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

WEDNESDAY

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 (Southern) Limited (In Administration)**

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Statement of proposals for achieving the purpose of the administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986

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## **Important Notice**

This statement of proposals has been produced for the sole purpose of advising creditors pursuant to the provisions of the Insolvency Act 1986. 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. Any estimated outcomes for creditors included in these proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

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# 1. INTERPRETATION

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	Macob (Southern) Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 of the Act on 4 March 2014
"the administrators", "we", "our", "us"	W John Kelly of Begbies Traynor (Central) LLP, 10th 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
"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. STATUTORY INFORMATION

<b>Name of Company</b>	Macob (Southern) Limited
<b>Trading name(s)</b>	As above
<b>Date of Incorporation</b>	2 June 1992
<b>Company registered number</b>	02719531
<b>Company registered office</b>	10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
<b>Former registered office</b>	2 Oldfield Road, Bocam park, Bridgend, CF35 5LJ
<b>Trading address(es)</b>	Unit 2, Ynysbridge Court, Gwaelod-y-Garth, Cardiff, CF15 9SS
<b>Principal business activities</b>	Building Construction

	<b>Name</b>	<b>Shareholding</b>
<b>Directors and details of shares held in the Company (if any)</b>	Paul England	None
	Rowland John Roberts	None
	Mark Simon Thomas	None
	David Walters	None

	<b>Name:</b>	<b>Shareholding</b>
<b>Company Secretary and details of the shares held in Company (if any)</b>	David Walters	None

**Auditors** Clay Shaw Thomas Limited  
Chartered Accountants and Statutory Auditors  
Ty Atebion, Bocam Park, Bridgend, CF35 5LJ

**Share capital** 200,002 x £1 00 ordinary shares

**Shareholders** 100% Macob Property Holdings Limited (In Administration)

### 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Date of appointment	4 March 2014
Date of resignation	n/a
Court	High Court of Justice, Chancery Division, Companies Court
Court Case Number	1659 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.

#### STATUTORY PURPOSE OF ADMINISTRATION

Paragraph 3 of Schedule B1 to the Act provides as follows

- "3 (1) The administrator of a company must perform his functions with the objective of-
- (a) rescuing the company as a going concern, or
  - (b) achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration), or
  - (c) realising property in order to make a distribution to one or more secured or preferential creditors
- (2) Subject to sub-paragraph (4), the administrator of a company must perform his functions in the interests of the company's creditors as a whole
- (3) The administrator must perform his functions with the objective specified in sub-paragraph (1)(a) unless he thinks either-
- (a) that it is not reasonably practicable to achieve that objective, or
  - (b) that the objective specified in sub-paragraph (1)(b) would achieve a better result for the company's creditors as a whole
- (4) The administrator may perform his functions with the objective specified in sub-paragraph (1)(c) only if-
- (a) he thinks that it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph (1)(a) and (b), and
  - (b) he does not unnecessarily harm the interests of the creditors of the company as a whole "

## 4. CIRCUMSTANCES GIVING RISE TO OUR APPOINTMENT

Macob (Southern) Limited ("Southern") was incorporated on 2 June 1992. Its purpose was to provide ground works contracting services to a number of construction sites owned by national and local residential house builders (including several household names). Southern was part of a group and can best be described as a trading company which focussed on the South of England.

Macob Property Holding Limited ("MPHL") was incorporated on 30 March 2012. Its purpose was to act as a new holding company following the restructure of a group of seventeen companies (including the parent company MPHL). The group consisted of three trading companies (two contracting and one scaffolding), five internal service companies (such as payroll and health & safety) and eight development companies (i.e. holding land and/or property for future development) ("the Group").

The contracting companies (Macob Limited and Macob Southern Limited) were operating in a difficult sector (construction and specifically house building) and had underperformed in recent months. This had placed a significant burden on the overall working capital facilities of the group. The group operated with a composite accounting system arrangement provided by its bank, which enabled the individual subsidiaries to hold and operate their own accounts. Whilst certain of the subsidiaries within the group had net assets, the performance and viability of its key trading subsidiaries was less certain and, consequently, more pressure was placed on working capital facilities and the overall ability of the group to pay its debts as and when they fell due.

Turnover levels in the two contracting companies were lower than had been anticipated, gross margin was depressed and losses were resulting. Whilst management were disappointed with the recent results they were more concerned by the lack of new work and tendering opportunities, particularly new work that could be priced appropriately. Management were very concerned about the ongoing viability of the two contracting companies and, as a consequence, parts of the wider group including the associated internal service companies. Management were mindful that the position of stakeholders in these companies should not deteriorate and/or be prejudiced by ongoing trading.

As detailed above, the overall group facility was coming under pressure as a consequence of the poor trading and in the absence of an immediate increase to the overdraft facility, a sizeable injection of equity and/or funds from the sale of an asset in the development companies, it was likely that one of the subsidiaries would face a precipitous action (i.e. a winding up petition) from one or more of its creditors.

With no additional finance available, and to avoid an uncontrolled and unplanned insolvency procedure, a notice of intention to appoint an administrator was filed in Court on 3 March 2014. Appointments were made over MPHL, Southern, Macob Limited ("ML"), Macob Developments Limited ("Developments"), Macob Administration Limited ("Administration"), Macob Training & Safety Services Limited ("Training"), Macob Civil Engineering Limited ("Civil") and Macob Properties Limited ("Properties"). W John Kelly and Nigel Price of Begbies Traynor were appointed as Joint Administrators on 4 March 2014 on all the above companies except for Properties, which had an appointment date on 5 March 2014.

There were nine other companies within the group (eight development companies and one trading company) that were not placed into administration.

## 5. STATEMENT OF AFFAIRS

The directors' have prepared a statement of affairs of the Company as at 4 March 2014 which is attached at Appendix 2. It makes no provision for the costs of the administration or any subsequent liquidation or voluntary arrangement.

Our comments on the estimated assets and liabilities can be found in the pages that follow.

## 6. THE ADMINISTRATION PERIOD

### ***Contractual Debts and Retentions***

The debtors and retentions on appointment amounted to £1,136,119, which relates to completed works on approximately 25 different residential house builder sites situated across Southern England.

The Administrators have instructed specialist quantity surveyors, Leslie Keats, to assist with the collection of the contractual debts and retentions.

In addition, the Managing Director was retained for a small number of weeks. All final accounts and applications were brought up to date so that the debts could be pursued and a controlled and coordinated handover to Leslie Keats could be achieved.

All debtors have been contacted and discussions are ongoing in respect of settlements of the final accounts and retentions. As is often the case in this sector and particularly with contractual debtors, the level of claims and counter claims has been significant.

To date, the sum of £9,363 has been received.

### ***Office Equipment***

Southern also owned certain items of office furniture and equipment. Upon appointment, the Administrators instructed professional agents Edward Symmons ("ES") to prepare an inventory and then undertake a valuation of these items.

To date, the sum of £40 has been generated from the sale of mobile telephones and laptops to former employees. Based on the advice from ES, the remaining office equipment (desks, filing cabinet etc) located at the rented offices in Chichester is considered to be of low value and therefore, uneconomical to recover.

### ***Receipts and Payments***

Attached at Appendix 1 is our account of receipts and payments from the commencement of administration (4 March 2014) to 25 April 2014. To date, the principal costs of £4,705.10 relates to the transfer of funds to Administration. This relates to the retention of staff to undertake tasks on behalf of Southern (e.g. debt recovery).

## 7. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the directors' statement of affairs) are as follows:



### **Secured creditor**

The Company had granted a fixed and floating charge debenture to Barclays Bank plc ("The Bank") on 10 July 1992. The overall group debt to Barclays at the date of appointment totalled £7,118,357 (before interest and charges) which comprises a loan and overdraft facilities. The working capital facilities included credit and debit balances in accounts held by the different companies in the group. In accordance with the Bank's security, which included a composite banking arrangement as well as cross guarantees held in relation to other companies in the group, the credit balances were all set off upon appointment to establish an overall indebtedness of £7,118,357. The debt shown in the statement of affairs is £7,018,357 which assumes £100,000 has been distributed to the Bank pursuant to fixed charges in another Group company (MPHL). As outlined in Section 4, there were eight companies placed into administration and nine that are currently not in administration. It should be noted that there is an additional loan of £2,100,000, which is provided to Bluefield Caernarfon Limited, which is not included in the composite balance shown above but which may also be guaranteed by MPHL and the group.

### **Preferential creditors**

There are no preferential creditors as the Company did not have any employees.

### **Unsecured creditors**

Claims of unsecured creditors are estimated at £1,450,670 which includes £685,432.33 of inter-company creditors.

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditor as follows:

#### **Secured creditor**

The Bank will be entitled to net proceeds recovered from the sale and/or realisation of assets subject to its floating charge (for instance contract debtors and VAT refunds), after first allowing for any prescribed part if applicable (see below).

#### **Preferential creditors**

There are no preferential creditor claims.

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

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a *prescribed part* of the Company's *net property* available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. *Net property* means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The *prescribed part of the Company's net property* is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of *net property*;
- ☐ 20% of *net property* thereafter;
- ☐ Up to a maximum amount to be made available of £600,000.

An administrator will not be required to set aside the *prescribed part of net property* if

- ❑ the *net property* is less than £10,000 and the administrator thinks that the cost of distributing the *prescribed part* would be disproportionate to the benefit, (Section 176A(3)) or
- ❑ the administrator applies to the court for an order on the grounds that the cost of distributing the *prescribed part* would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

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

## **8. OUR PROPOSALS FOR ACHIEVING THE PURPOSE OF THE ADMINISTRATION**

#### ***Purpose of the Administration***

We are required to set out our proposals for achieving the purpose of the administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at Section 3 of this report above

For the reasons set out in this report, it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph 3(1)(a) and 3(1)(b), because the Company ceased trading upon appointment and therefore, would be unable to enter into a Company Voluntary Arrangement and, at this stage, there is unlikely to be a return to any class of creditor other than the secured creditor

Consequently, the most appropriate objective to pursue in this case is that specified in sub-paragraph 3(1)(c), namely realising property in order to make a distribution to one or more secured or preferential creditors. Furthermore, we consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole

The purpose of the Administration will be achieved by maximising the value of contractual debts and retentions, together with the recovery of other floating charge assets and then distributing the net proceeds to the secured creditor pursuant to its floating charge. The estimated return available through any of the intercompany debtors remains very uncertain due to the level of secured creditor debt that would first need to be repaid across the group

In order that the purpose of the administration may be fully achieved, we propose to remain in office as administrators in order to conclude the realisation of the Company's property and conclude the statutory duties

Following these events we propose to finalise distributions to the secured creditor

#### ***Exit from Administration***

##### **(1) Contingency plan – extending the administration**

It is anticipated that due to the nature of the Company's assets, it may not be possible to finalise the administration as envisaged within one year of the date of our appointment. In particular, this situation will arise if we are not able to conclude the sale of the various shares and investments. 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, our 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. It may therefore become necessary at some future time for us to seek creditor consent to extending the period of the administration for up to a further six months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved.

## (2) Dissolution

On present information we consider that the Company will have insufficient property to enable a distribution to be made to unsecured creditors. Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to implement the provisions of Paragraph 84 of Schedule B1 to the Act. Under these provisions, on the registration of a notice sent by us to the Registrar of Companies, our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the Company.

## (3) Creditors' voluntary liquidation

Notwithstanding the above, in the unlikely event that there becomes, or is likely to become, sufficient funds to enable a distribution to the unsecured creditors then the Administrators do not have a general power to make a distribution to unsecured creditors and may only do so if the court gives permission. It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate. Additionally, there may be matters for enquiry concerning a company's affairs which are not within the scope of an administrator's powers and which can only be properly dealt with by a liquidator.

Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to implement the provisions of Paragraph 83 of Schedule B1 to the Act whereby on the registration of a notice sent to the Registrar of Companies, our appointment as administrators shall cease to have effect and the Company will automatically be placed into creditors' voluntary liquidation. Paragraph 83(7) provides

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- (b) if no person is nominated under paragraph (a), the administrator

We confirm that as part of our proposals we propose that we act as joint liquidators in the subsequent winding up of the Company. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved. The appointment of a person nominated as liquidator takes effect by the creditors' approval, with or without modification, of our proposals.

It is proposed that for the purpose of the winding up, any act required or authorised under any enactment to be done by the joint liquidators is to be done by all or any one or more of the persons for the time being holding office.

## (4) Contingency plan – unforeseen surplus funds

If (whether or not an extension to the period of administration actually becomes necessary) it ultimately transpires that there are indeed surplus funds enabling a distribution to the unsecured creditors, then

unless the court makes an order permitting such a distribution on our application, we will issue revised proposals for consideration by creditors dealing with the most appropriate exit strategy from the administration in those circumstances

## 9. REMUNERATION AND DISBURSEMENTS

### ***Pre-administration costs***

In the period before Southern entered administration, we carried out work consisting of meetings with directors and funders to review options available to MPHIL (and the wider group) and implementing a strategy to deal with the Group's financial position ("the Work") The Work was carried out pursuant to an agreement made between us and the directors and the secured creditors entered into on 21 February 2014 ("the Agreement")

In relation to this case, the Pre-administration costs are as follows

Our fees are in the total sum of £151 50 (plus VAT) There are no disbursements

The Pre-administration costs detailed above are unpaid We are not seeking approval to recover these unpaid costs

### ***Remuneration***

We propose that the basis of our remuneration be fixed under Rule 2 106 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 rates of Begbies Traynor (Central) LLP in attending to matters arising in the administration

These proposals contain a statement by us, in accordance with paragraph 52(1)(c) of Schedule B1 to the Act, that neither of the objectives specified in paragraph 3(1)(a) and (b) can be achieved In these circumstances, if there is no creditors' committee, or the committee does not make a determination, it is for each secured creditor and the preferential creditors of the Company to determine the basis of our remuneration under Rule 2 106 of the Rules In the absence of an initial meeting of creditors (see section 11 Conclusion, below) and the establishment of a creditors' committee, our remuneration is fixed by the approval of the secured and preferential creditors in accordance with Rule 2 106 (5A)

Appendix 3 sets out our firm's hourly charge out rates and the time that we and our staff have spent in attending to matters arising in the administration since 4 March 2014

### ***Disbursements***

We propose that disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) be charged in accordance with our firms policy, details of which are set out at Appendix 3 These disbursements will be identified by us and subject to the approval of those responsible for determining the basis of our remuneration

## 10. OTHER INFORMATION TO ASSIST CREDITORS

### **Report on the conduct of directors**

We have a statutory duty to investigate the conduct of the directors and any person we consider to be or have been a shadow or de facto director during the period of three years before the date of our appointment, in relation to their management of the affairs of the Company and the causes of its

failure We are obliged to submit confidential reports to the Department for Business, Innovation and Skills

As administrators of the Company we are required by best practice guidance to make enquiries of creditors as to whether they wish to raise any concerns regarding the way in which the Company's business was conducted prior to the commencement of the administration, or wish to bring to our attention any potential recoveries for the estate. If you would like to bring any such issues to our attention please do so in writing to the address detailed at Section 1 of this report. This request for information is standard practice and does not imply any criticism or cause of action against any person concerned in the management of the Company's affairs.

## 11. CONCLUSION

We presently consider that neither of the objectives specified in paragraph 3(1)(a) and (b) of Schedule B1 to the Act can be achieved.

In the circumstances, we do not intend to summon an initial meeting of the Company's creditors. However, creditors, whose debts amount to at least 10% of the total debts of the Company, may requisition such a meeting. Any such requisition must be in the prescribed manner in accordance with Rule 2.37 and be made within 8 business days of the date on which our statement of proposals is sent out. The expenses of summoning and holding a meeting at the request of a creditor shall be paid by that person, who shall deposit with us security for their payment. If no such meeting is requisitioned, then by Rule 2.33(5), our proposals are deemed to have been approved by the creditors. Where the proposals are deemed to have been approved, we will write to you to confirm that is the position.

In the absence of an initial creditors' meeting we will report on progress again approximately six months after the commencement of the administration, or at the conclusion of the administration, whichever is the sooner.

  
W John Kelly  
Joint Administrator  
Date 25 April 2014

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## **ACCOUNT OF RECEIPTS AND PAYMENTS**

**4 March 2014 to 25 April 2014**

**Macob (Southern) Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**  
**To 25/04/2014**

S of A £		£	£
	<b>ASSET REALISATIONS</b>		
	Office Equipment & Computers	40 00	
Uncertain	Contracts Debts & Retentions	9,363 37	
54,715 46	VAT Refund	NIL	
NIL	Debtor Macob Property Holdings Limit	NIL	
			9,403 37
	<b>COST OF REALISATIONS</b>		
	Other Professionals	800 00	
	Stationery & Postage	120 00	
	Transfer to Macob Administration Limit	4,705 10	
	Statutory Advertising	338 40	
			(5,963 50)
	<b>FLOATING CHARGE CREDITORS</b>		
(7,018,357 02)	Barclays Bank Plc	NIL	
			NIL
	<b>UNSECURED CREDITORS</b>		
(613,917 06)	Trade Creditors	NIL	
(140,122 00)	Subcontractors	NIL	
(6,571 00)	Subcontractors Retentions	NIL	
(4,628 00)	CIS tax	NIL	
(10,193 24)	Macob Limited	NIL	
(78,737 70)	Macob Developments Limited	NIL	
(596,501 39)	Macob Administration Limited	NIL	
			NIL
	<b>DISTRIBUTIONS</b>		
(200,002 00)	Ordinary Shareholders	NIL	
			NIL
<b>(8,614,313.95)</b>			<b>3,439.87</b>
	<b>REPRESENTED BY</b>		
	Vat Receivable		227 68
	Bank 1 Current		3,212 19
			<b>3,439.87</b>

W John Kelly  
Joint Administrator

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**DIRECTORS' STATEMENT OF AFFAIRS AS AT:**

**4 March 2014**



Macob (Southern) Limited  
Statement Of Affairs as at 4 March 2014

**A - Summary of Assets**

Assets	Book Value £	Estimated to Realise £
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**Assets subject to fixed charge:**

**Assets subject to floating charge:**

Contracts Debts & Retentions	1,136,119 00	Uncertain
VAT Refund	54,715 46	54,715 46
Debtor Macob Property Holdings Limited	593,744 00	NIL

**Uncharged assets:**

<b>Estimated total assets available for preferential creditors</b>	<b>54,715 46</b>
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Signature \_\_\_\_\_ Date \_\_\_\_\_

Macob (Southern) Limited  
Statement Of Affairs as at 4 March 2014

A1 - Summary of Liabilities

		Estimated to Realise £
<b>Estimated total assets available for preferential creditors (Carried from Page A)</b>		54,715 46
<b>Liabilities</b>		
Preferential Creditors -		
<b>Estimated deficiency/surplus as regards preferential creditors</b>		<u>NIL</u> 54,715 46
Debts secured by floating charge pre 15 September 2003		
Other Pre 15 September 2003 Floating Charge Creditors		
Barclays Bank Plc	7,018,357 02	<u>7,018,357 02</u>
		(6,963,641 56)
Estimated prescribed part of net property where applicable (to carry forward)		<u>NIL</u>
<b>Estimated total assets available for floating charge holders</b>		(6,963,641 56)
Debts secured by floating charges post 15 September 2003		
<b>Estimated deficiency/surplus of assets after floating charges</b>		<u>NIL</u> (6,963,641 56)
Estimated prescribed part of net property where applicable (brought down)		<u>NIL</u>
<b>Total assets available to unsecured creditors</b>		(6,963,641 56)
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade Creditors	613,917 06	
Subcontractors	140,122 00	
Subcontractors Retentions	6,571 00	
CIS tax	4,628 00	
Macob Limited	10,193 24	
Macob Developments Limited	78,737 70	
Macob Administration Limited	596,501 39	
		<u>1,450,670 39</u>
<b>Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)</b>		(8,414,311 95)
<b>Estimated deficiency/surplus as regards creditors</b>		<u>(8,414,311 95)</u>
Issued and called up capital		
Ordinary Shareholders	200,002 00	
		<u>200,002 00</u>
<b>Estimated total deficiency/surplus as regards members</b>		<u>(8,614,313 95)</u>

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Begbies Traynor (Central) LLP**  
**Macob (Southern) Limited**  
**B - Company Creditors**

Key	Name	Address	£
CA00	Asphalt Reinforcement Services	Highway House, 4 Doolittle Yard, Froghall Road, Amphill, Bedfordshire, MK45 2NW	979 20
CB00	W T BURDEN LIMITED	ACCOUNTS RECEIVABLE, PO BOX 3200, STOKE HANLEY, ST4 9HF	1,918 04
CB02	P J BROWN (CONSTRUCTION) LTD	BURLANDS, CHARLWOOD ROAD, IFIELD WOOD, CRAWLEY WEST SUSSEX, RH11 0JZ	2,052 00
CB03	BRICKABILITY	SOUTH ROAD, BRIDGEND IND EST, BRIDGEND, CF31 3XG	456 00
CB07	GMGB t/a Civils & Lintels	The P & A Partnership, 93 Queen Street, Sheffield, S1 1WF	0 00
CB08	BPH CONSTRUCTION EQUIPMENT LTD	UNIT 10 GILLMANS IND EST, NATTS LANE, BILLINGSHURST, WEST SUSSEX, RH14 9EZ	12,432 91
CB0B	CLIVE BARFORD LIMITED	DUMPERS DROVE, HORTON HEATH, SOUTHAMPTON, HANTS, SO50 7DP	25,466 27
CB0C	Britniacrest Recycling Ltd	24 - 26 Reigate Street, Surrey, RH6 0HJ	144 00
CB0D	Bluebay Building Products	Unit 51, Portmanmoor Road Industrial Estate, Cardiff, CF24 5HB	54 00
CB0E	Buildbase	CAPPAGH HOUSE, WATERSIDE WAY, LONDON, SW17 7AB	45,249 75
CC01	CAPPAGH PUBLIC WORKS LTD	THE BROYLE, RIGMER, EAST SUSSEX, BN8 5NP	39,866 08
CC02	CHANDLERS BUILDING SUPPLIES	PO BOX 104, THORNBY, STOCKTON-ON-TEES, TS17 6WZ	274 75
CC08	CEMEX LTD	BARDON HILL, COALVILLE, LEICESTERSHIRE, LE67 1TL	59,306 07
CC0A	AGGREGATE INDUSTRIES UK LTD	BRENTFORD GRANGE FARM, BEACONSFIELD ROAD, COLESHILL, AMERSHAM	563 76
CC0B	CLARK CONTRACTING LTD	c/o Euler Hermes, UK Branch Registration Address, 1 Canada Square, London, E14 5DX	264 00
CC0D	R COLLARD	Civic Centre, London Road, Morden, Surrey, SM4 5DX	3,571 38
CC0E	Chas 2013 Ltd	Home field Sandpit, Guildford Road, Runfold, Surrey, GU10 1PG	132 00
CC0F	Chambers Runfold plc	TRANSPORT AVENUE, GREAT WEST ROAD, BRENTFORD, MIDDLESEX TW8 9HQ	558 72
CD00	DAY AGGREGATES	Vodafone Limited, PO Box 7777, Glasgow, G2 5BD	4,865 91
CD02	DEMON	SCAIFS FARM, SELBOURNE ROAD, ALTON, HANTS, GU34 3HL	4 40
CD04	DRAINFAST LTD	LOW COMMON ROAD, BROOKLANDS PARK IND ESTATE, DINNINGTON, SHEFFIELD, S25 R2J	4,410 60
CD05	DURO UK LIMITED	TARGET HOUSE, INVERALMOND IND ESTATE, PERTH, SCOTLAND, PH1 3EE	1,189 11
CD06	DIATECH SCOTLAND	ALBION WHARF, ALBION STREET, SOUTHWICK, WEST SUSSEX, BN42 4ED	1,209 60
CD07	DUDMAN AGGREGATES LIMITED	DORKING ROAD, KINGSFORD, HORSHAM, WEST SUSSEX, RH12 3SD	2,002 69
CD08	D W NYE LTD	54 CHASE FARM CLOSE, WALTHAM CHASE, SOUTHAMPTON, HANTS, SO23 2UD	1,309 69
CE02	ENVIROTECH SOUTHERN	UNIT R, OYO BUSINESS PARK, FISHERS GROVE, PORTSMOUTH, PO6 1RN	4,260 00
CF00	FREEFLOW		2,152 80

**Begbies Traynor (Central) LLP**  
**Macob (Southern) Limited**  
**B - Company Creditors**

Key	Name	Address	£
CG01	GREENHAM TRADING LTD	GREENHAM HOUSE, 671 LONDON ROAD, ISLEWORTH, MIDDLESEX TW7 4EX	2,591 83
CG03	GREENBUILD ENVIRONMENTAL LTD	ARQUEN HOUSE, 4-6 SPICER STREET, ST ALBANS, AL3 4PQ	5,946 00
CH01	HANSON AGGREGATES	PO BOX 1828, CHIPPING SODBURY, BRISTOL, BS37 6AY	63,650 53
CH03	HOPE READY MIXED CONCRETE	PO BOX 6899, WOLVERHAMPTON, WV1 9XU	3,298 40
CH04	HOPE CEMENT	HOPE VALLEY, DERBYSHIRE, S33 6RP	9,246 37
CH05	H M Revenue & Customs	Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	0 00
CH06	H M Revenue & Customs	Insolvency Department, Regian House, James Street, Liverpool, L75 1AD	0 00
CJ00	JEWSON LTD	PO BOX 7357, GLASGOW, G51 9AB	869 17
CJ01	J & G GROUP	BRAERLANDS, BARRIHURST, CRANLEIGH, SURREY, GU6 8LQ	3,188 64
CJ02	John Wainwright & Co Limited	Moonhill Quarry, Mendip Road, Stoke St Michael, Radstock, BA3 5JU	0 00
CK00	KEYLINE B M SOUTH LTD	c/o The P&A Partnership, 93 Queens Street, Sheffield, S1 1WF	42,995 10
CK02	K R M CONCRETE LIMITED	KENDALLS WHARF, EASTERN ROAD, PORTSMOUTH, HANTS, PO3 5LY	6,725 94
CK03	KENDALL BROS (PORTSMOUTH) LTD	KENDALLS WHARF, EASTERN ROAD, PORTSMOUTH, HAMPSHIRE, PO3 5LY	15,647 80
CK04	K C Tryres Ltd - Lloyds TSB Commercial Finance		54 00
CL01	LANZ TRANSPORT	GALLEYMEAD HOUSE, COLNBROOK, SLOUGH, BERKSHIRE, SL3 ONT	2,148 00
CL06	LONSDALE CONSTRUCTION SERVICES	6 STATION ROAD, ASHFORD, MIDDLESEX, TW15 2RX	1,296 00
CL07	LAFARGE AGGREGATES LIMITED	SSC ACCOUNTS RECEIVABLE DEPT, PO BOX 8641, SYSTON, LEICESTER, LE1 1XP	1,104 27
CL08	LAFARGE TARMAC TRADING LTD	ACCOUNTS RECEIVABLE, PO BOX 16766, PORTLAND HOUSE, BICKENHILL LANE, SOLIHULL, BIRMINGHAM, B37 9DE	59,609 18
CM00	MACOB LIMITED	C/O Begbies Traynor, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG	10,193 24
CM01	MACOB DEVELOPMENTS LTD t/a M POWER	C/O Begbies Traynor, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG	76,878 70
CM07	MATTHIAS CONSTRUCTION MATERIALS	c/o HSBC Bank plc, Farncombe Road, Worthing, West Sussex, BN11 2BW	8,689 97
CM0B	MORRIS LESLIE (SOUTH EAST) LIMITED	ERROL AIRFIELD, ERROL, PERTH, PH2 7TB	190 08
CM0E	MPS BUILDERS MERCHANTS LIMITED	LOCK LANE, WARWICK, CV34 5AG	121 58
CM0F	M & J Engineers Ltd	88-90 High Street, Northampton, NN2 6QH	30,199 90
CM0G	M E Training Services	25 Churcher Close, Gosport, PO12 2SL	2,000 00
CM0H	Macob Administration Ltd		596,501 39
CN00	NORTHCHAPEL TRANSPORT LTD	OSIERS FARM, LONDON ROAD, PETWORTH, WEST SUSSEX, GU28 9LX	1,260 00
CN01	N and R Webb Brickwork Limited	31 Clarendon Road, Worthing, Sussex, BN14 8PU	0 00

**Begbies Traynor (Central) LLP**  
**Macob (Southern) Limited**  
**B - Company Creditors**

Key	Name	Address	£
CO00 CP00	ON-SITE SUPPLIES PENFOLD VERRALL	STEPHENSON WAY, THREE BRIDGES, CRAWLEY, WEST SUSSEX, RH10 1TN THISTLEWORTH FARM COTTAGE, DIAL POST, HORSHAM, WEST SUSSEX, RH13 8NY	1,912 25 13,260 00
CP01 CP03 CP04	PARKER MERCHANTING PROSPECT MATERIALS LTD PRO MECH LTD	JOHN O'GAUNTS INDUSTRIAL EST, ROTHWELL, LEEDS, LS26 0DU PROSPECT HOUSE, 35 HIGH ROAD, BY FLEET, SURREY, KT14 7QH C/O RBS Invoice Finance Limited, Smith House, P O Box 50, Elmwood Avenue, Feltham, Middlesex, TW13 7QD	69 46 2,160 00 2,477 76
CP05 CP06 CR05	PRO-COPY PHOENIX SURVEY AND SAFETY EQUIPMENT RAVENSTOCK MSG LTD	46 CALEDONIAN ROAD, CHICHESTER, WEST SUSSEX, PO19 7FB UNIT 4 ARMSTRONG COURT, ARMSTRONG WAY, YATE BRISTOL, BS37 5NG RAVENSTOCK HOUSE, 28 FALCON COURT, PRESTON BUSINESS PARK, STOCKTON ON TEES, TS18 3TX	93 29 4,299 14 1,223 28
CR06	RUDRIDGE	C/O HSBC Invoice Finance (UK) Limited, Farncombe Road, Worthing, West Sussex, BN11 2BW	18,420 89
CR07 CR08 CR09 CS00	RAYMOND BROWN MINERALS & RECYCLING Rhino Asphalt Solutions Limited Rapid Readymix JOHN STACEY & SONS LTD	160 CHRISTCHURCH ROAD, RINGWOOD, HAMPSHIRE, BH24 3AR Suite S8, Waterside Centre, North Street, Lewes, East Sussex, BN7 2PE Alpha Place, Garth Road, Morden, Surrey, SM4 4LT STACEYS IND PARK, SILCHESTER ROAD, TADLEY, BASINGSTOKE, HANTS, RG26 3PZ	694 04 0 00 540 00 6,396 00
CS02 CS03 CS04	SUMMERLEAZE LIMITED THE SEAWARD PENSION SCHEME SIG CONSTRUCTION ACCESSORIES	7 SUMMERLEAZE ROAD, MAIDENHEAD, BERKSHIRE, SL6 8SP METRO HOUSE, NORTHGATE, CHICHESTER, WEST SUSSEX, PO19 1BE C/O Auker Rhodes Accounting, Devonshire House, 32-34 North Parade, Bradford, West Yorkshire, BD1 3HZ	10,125 71 1,483 00 986 86
CS07 CS08	ANDY SKILTON ENGINEERS SOUTH COAST SKIPS	50 QUEENS ROAD, BISLEY, WOKING, SURREY, GU24 9AS UNIT 9, HANGAR 3, RUDFORD ESTATE FORD, ARUNDEL, WEST SUSSEX, BN18 0BS	2,703 60 1,290 00
CS0A CS0B CS0C	L&S WASTE MANAGEMENT LIMITED SPEEDY ASSET SERVICES LIMITED Scottish & Southern Energy	PEGHAM INDUSTRIAL PARK, LAVEYS LANE, FAREHAM, PO16 6SD CHASE HOUSE, 16 THE PARKE, NEWTON LE WILLOWS, WA12 0JQ Cable Damage Team , SSE Power Distribution, Inverlmond House, 200 Dunkeld Road, Perth, PH1 3AQ	13,164 43 1,638 35 0 00
CS0D	Service Point	73-83 Liverpool Street, Manchester, M3 4AQ	45 60

**Begbies Traynor (Central) LLP**  
**Macob (Southern) Limited**  
**B - Company Creditors**

Key	Name	Address	£
CT01	TYREFIX	UNIT 3 HILL LANE IND EST, MARKFIELD, LEICESTERSHIRE, LE67 9PY	597 60
CT02	TJ TRANSPORT LTD	CHARITY FARM, 127 WICKHAM ROAD, FAREHAM, HANTS, PO1 4QS	2,202 00
CT03	Travis Perkins Tool Hire	Lissadel Street, Frederick Road, Salford, Lanc's, M6 6BR	70 32
CW02	CHARLES WILSON ENGINEERS LTD	86 HIGH STREET, HARPENDEN, HERTS, AL5 2SP	42,029 82
CW05	WERNICK HIRE	MOLINEUX HOUSE, RUSSELL GARDENS, WICKFORD, ESSEX, SS11 8BL	401 15
CW06	Watson Petroleum Limited	Brmkworth, Chippenham, SN15 5DN	5,796 83
CW07	Wolseley Centers Ltd	c/o The P&A Partnership, 93 Queen Street, Sheffield, S1 1WF	1,675 62
CW08	Wooldridge Ecotec Ltd	Unit 17, Hall Grove Farm, Bagshot, Surrey, GU19 5HY	1,704 00
CW09	Woollard (Earthmoving) Ltd	North Street, Hailsham, East Sussex, BN27 4DU	912 00
EC00	Mr Paul Colville L/O		0 00
ED00	D Blocks L/O		0 00
ET00	Mr Mark Thomson L/O		0 00
<b>89 Entries Totalling</b>			<b>1,297,472.82</b>

**Begbies Traynor (Central) LLP**  
**Macob (Southern) Limited**  
**C - Shareholders**

Key	Name	Address	Pref	Ord	Other	Total
HM00	Macob Property Holdings Limited (In Admic/o Begbies Traynor(Central) LLP, Temple Point, 1 Temple Row, Birmingham, B2 0			200,002	0	200,002
1 Entries Totalling						200,002

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# DIRECTORS' STATEMENT OF AFFAIRS

## Notes to the Directors' Statement of Affairs

- 1 The contract debts are currently being assessed by specialist quantity surveyors, Leslie Keats. The estimated realisable value has been marked as uncertain to protect the commercial interests of the company
- 2 The monies due from HM Revenue & Customs represent an estimated VAT repayment position for the months of February 2014 and March 2014 (i.e. up to date of appointment)
- 3 The level of any return from the intercompany debtors will be entirely dependent on the final outcome and level of realisations achieved in the specific connected company. Any return will be determined by the level of funds that ultimately become available for distribution to all unsecured creditors (connected and unconnected) and all claims will rank equally for dividend purposes in these circumstances
- 4 The claims of the Department for Business, Innovation and Skills represent employees' estimated claims under The Employment Rights Act 1996 in respect of arrears of pay to a maximum of £800 per employee and holiday pay which are claimed preferentially, and pay in lieu of notice, redundancy pay and arrears of pay in excess of £800 which are non-preferential. Southern did not have any employees so therefore, there aren't any preferential claims
- 5 Section 176A(2) of the Act requires the administrators to set aside the prescribed part of the Company's net property for the satisfaction of unsecured debts. "Net property" means the amount which would, if it were not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of realisation). The prescribed part is 50% of the first £10,000 and 20% of the remaining net property (up to a maximum of £600,000)

We will not be required to set aside the prescribed part of net property if

- a The net property is less than £10,000 and we think that the cost of distributing the prescribed part would be disproportionate to the benefit,
- b Or if the net property is more than £10,000, if the provision is disapplied by the court on the application of the administrator on cost-benefit grounds

The floating charge was created before 15 September 2003 so there is no net property and, consequently, no prescribed part of net property

- 6 The Company had granted a fixed and floating charge debenture to Barclays Bank plc ("The Bank") on 10 July 1992. The overall group debt to Barclays at the date of appointment totalled £7,118,357 (before interest and charges) which comprises a loan and overdraft facilities. The working capital facilities included credit and debit balances in accounts held by the different companies in the group. In accordance with the bank's security, which included a composite banking arrangement as well as cross guarantees held in relation to other companies in the group, the credit balances were all set off upon appointment to establish an overall group indebtedness of £7,118,357. The debt shown in the statement of affairs is £7,018,357 which assumes £100,000 has been distributed to the Bank pursuant to fixed charges in another Group company (MPHL). It should be noted that there is an additional loan of £2,100,000,



which is provided to Bluefield Caernarfon Limited, which is not included in this composite balance but which may also be guaranteed by MPHL and the group

- 7 Creditors' claims are subject to agreement and will not be prejudiced by omission from the Statement of Affairs or by inclusion in a different amount from that claimed
- 8 The estimated total deficiency, including the calculation of the prescribed part of the Company's net property, is subject to the costs of administration and distribution for which no provision is made in the statement of affairs

## TIME COSTS AND EXPENSES

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Remuneration drawn will be notified to any creditors' committee appointed under paragraph 57 of Schedule B1 to the Act. In the absence of a creditors' committee, details of time incurred and disbursements drawn will be reported to creditors in accordance with *Statement of Insolvency Practice 9* issued by the Joint Insolvency Committee on behalf of our licensing bodies.

Total time spent to 22 April 2014 on this assignment amounts to 80.60 hours at an average composite rate of £275.72 per hour resulting in total time costs to 22 April 2014 of £22,223.

To assist creditors in determining this matter, the following further information on time costs and expenses are set out:

- ☐ Begbies Traynor (Central) LLP's policy for re-charging expenses
- ☐ Begbies Traynor (Central) LLP's charge-out rates
- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value

In addition, a copy of 'A Creditors Guide to Administrators' Fees (E&W) 2011' which provides guidance on creditors' rights 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 my office and I will arrange to send you a copy.

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## **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 and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance<sup>2</sup> requires 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 usually 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 incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(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 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,

- *Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements

(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 1 May 2011 – until further notice 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 (Southern) 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. Southern carried out ground works on sites across the South of England for residential developers and contractors.

**1 3 Exceptional responsibilities**

None

**1 4 The office holders' effectiveness**

Staff have been retained to bring the financial and accounting records up to date. This includes the contract debtors and retentions. In addition, professional quantity surveyors have been engaged to assist with the reconciliation of the contractual debtor ledger and to facilitate recoveries. To date, £9,363 has been recovered.

In respect of other assets, the pre-appointment VAT returns have been submitted and the Administrators await receipt of the refund.

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

The Company's principal asset are

- Contractual book debts and retentions,
- VAT refund,
- Inter-company debtors

**1 6 Anticipated return to creditors**

Secured creditor – Barclays Bank PLC hold a fixed and floating charge dated 10 July 1992. The secured creditor will receive a distribution from companies within the Group but may still suffer an overall shortfall.

Preferential creditors – There were no employees so there are no preferential claims.

Unsecured creditors – It is anticipated that there will be insufficient funds to enable a distribution to unsecured creditors.

**1 7 Time costs analysis**

An analysis of time costs incurred between 4 March 2014 and 22 April 2014 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

In addition to the post appointment time costs detailed in the time costs analysis, pursuant to rule 2 67(1)(c) of the Insolvency Rules 1986, the office holders' consider that the sum of £105 (plus VAT) is also properly recoverable in relation to work undertaken prior to their appointment consisting of determining whether it was reasonably likely that the purpose of administration would be achieved and completing the required statements of the proposed administrators. The sum is calculated as follows

	Partner(s)	Director(s)	Support	Total Hours	Time Cost	Average Hourly Rate
Hourly Rate	£395	£ n/a	£110			
Pre-appointment Time	118 50	-	33 00	0 60	151 50	90 90

The Administrators are not seeking consent to discharge pre-appointment costs and expenses

**1 8 The views of the creditors**

The enquiries of creditors have been dealt with in an appropriate and timely manner as and when they have arisen

**1 9 Approval of fees**

We propose that the basis of our remuneration be fixed under Rule 2 106 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 rates of Begbies Traynor (Central) LLP in attending to matters arising in the administration

In the absence of an initial meeting of creditors and/or the establishment of a creditors' committee, our remuneration is fixed by the approval of the secured and preferential creditors in accordance with Rule 2 106 (5A)

**1 10 Approval of Expenses and Disbursements**

We propose that disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) be charged in accordance with our firms policy.

Approval of expenses and disbursements will be fixed by those responsible for determining the basis of our remuneration

**1 11 Category 2 Disbursements**

In accordance with the resolution obtained in relation to expenses and disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of my appointment

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage – Birmingham to site (and return)	135 00
<b>TOTAL</b>	<b>135 00</b>

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

<b>Name of Professional Advisor</b>	<b>Basis of Fee Arrangement</b>
Eversheds LLP (Legal advice)	Hourly rate and disbursements
Leslie Keats (Quantity Surveyors)	Hourly rate and disbursements

**2. SUMMARY OF WORK CARRIED OUT SINCE APPOINTMENT**

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

- Preparing day one documentation and all statutory documentation
- Arranging collection of the books and records
- Carrying out all statutory duties
- Attending meetings with the Company's directors
- Instruct Leslie Keats to assist with the contract debtors and retentions
- Producing update report for the Bank

Maacab (Southern) Limited

Time costs analysis for the period from 4 March 2014 to 22 April 2014

[illegible]