

Liquidator's Progress Report

S.192

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

To the Registrar of Companies

Company Number

2833805

Name of Company

Jarvis Construction (UK) Limited

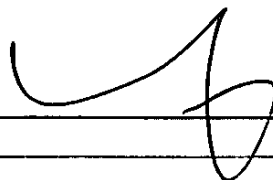
I / We
Nicholas Guy Edwards
PO Box 810
66 Shoe Lane
London
EC4A 3WA

Daniel Francis Butters
1 City Square
Leeds
West Yorkshire
LS1 2AL

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 07/07/2011 to 06/07/2012

Signed



Date 4 SEPTEMBER 2012

Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

Ref JARV04W/CJF/MR2/SF

WEDNESDAY



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COMPANIES HOUSE

**JARVIS CONSTRUCTION (UK) LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)
("the Company")**

**ANNUAL PROGRESS REPORT TO CREDITORS PURSUANT TO RULES 4.49B/4.49C OF
THE INSOLVENCY RULES 1986 (AS AMENDED)**

4 September 2012

This report has been prepared for the sole purpose of updating the Creditors for information purposes. 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 updating them for information purposes, or by any other person for any purpose whatsoever.

Nicholas Guy Edwards and Ian Brown were appointed Joint Liquidators of Jarvis Construction (UK) Limited on 7 July 2010. On 25 May 2011 Ian Brown ceased to act as liquidator of the Company and Daniel Francis Butters was appointed Joint Liquidator in his place.

All licensed Insolvency Practitioners of Deloitte LLP are licensed in the UK to act as Insolvency Practitioners.

Nicholas Guy Edwards and Daniel Francis Butters
Deloitte LLP
One Trinity Gardens
Broad Chare
Newcastle upon Tyne
NE1 2HF

CONTENTS

Page

1. INTRODUCTION	1
2. LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT	2
3. DISTRIBUTIONS TO CREDITORS	3
4. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS	4
5. LIQUIDATORS' REMUNERATION AND EXPENSES	5

APPENDICES

- 1. Statutory information.**
 - 2. Liquidators' receipts and payments account for the 12 months from 7 July 2011 to 6 July 2012 (inclusive of cumulative figures for the period from the 7 July 2010 to 6 July 2012).**
 - 3. Liquidators' time costs for the Period 7 July 2010 to 6 July 2012.**
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ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used

"the Act"	Insolvency Act 1986 (as amended)
"the Rules"	Insolvency Rules 1986 (as amended)
"the Liquidators"	NG Edwards and DF Butters of Deloitte LLP
"the Company"	Jarvis Construction (UK) Limited (in Liquidation)
"Deloitte"	Deloitte LLP
"SNR Denton"	SNR Denton UK LLP
"Goodman Nash"	Goodman Nash Limited
"SIP2 (E&W)"	Statement of Insolvency Practice 2 (England & Wales)
"SIP7 (E&W)"	Statement of Insolvency Practice 7 (England & Wales)
"SIP9 (E&W)"	Statement of Insolvency Practice 9 (England & Wales)
"SIP13 (E&W)"	Statement of Insolvency Practice 13 (England & Wales)

1. INTRODUCTION

1.1 Introduction

This report has been prepared in accordance with Rules 4.49B and 4.49C of the Rules to provide creditors with an update on the progress of the Liquidation of the Company since our last report to creditors dated 5 September 2011

Given the information previously provided to creditors in our earlier reports, we have not included detailed background information in respect of the Company and have focused on progress of the Liquidation subsequent to those reports

A schedule of statutory information in respect of the Company is attached at Appendix 1

1.2 Details of the appointment of the Liquidators

Nicholas Guy Edwards and Ian Brown of Deloitte were appointed Joint Liquidators of the Company by the general meetings of members and creditors held on 7 July 2010. Following his retirement from the firm, Ian Brown ceased to act as liquidator on 25 May 2011 and Daniel Francis Butters was appointed as Joint Liquidator in his place

For the purposes of section 231 of the Act the Liquidators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally

1.3 Electronic communication with creditors

In an effort to reduce the costs of the Liquidation, all communications with creditors, including updates and progress reports, are posted onto a website which has been set up specifically for this purpose. The web address is www.deloitte.co.uk/jcuk

A letter will be issued to all creditors each time the website is updated with a statutory notice or report. All creditors' statutory notices will be retained on the website for three months after being uploaded to the site

2. LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

2.1 Introduction

Attached at Appendix 2 is an abstract receipts and payments account covering the period from 7 July 2011 to 6 July 2012, together with cumulative details of the transactions from the date of appointment, in accordance with SIP7 (E&W)

In this section, we have summarised the main asset realisations during the 12 month period and an estimation of those assets yet to be realised

2.2 Asset realisations

Whilst there have been no further realisations in the Liquidation since the period of our last report, the Liquidators continue to investigate a number of trust accounts that were opened by the Company during a restructuring of the Jarvis Group in 2005. These accounts were created to allow certain specifically identified contracts to be completed as part of an exit strategy undertaken by the Jarvis Group to limit the Company's exposure to these contracts. Funds held in these accounts totals in excess of £300k

Whilst our investigation into the potential recovery of these amounts continues, creditors should note that any substantial recovery is considered unlikely at this stage

2.3 Estimated future realisations

With the exception of any outstanding matters referred to in Section 2.2, the Liquidators do not expect any further realisations in the Liquidation

2.4 Estimated outcome for creditors

At present it is unlikely that any funds will become available to enable a distribution to be made to the unsecured creditor in the Liquidation

3. DISTRIBUTIONS TO CREDITORS

3.1 Secured creditors

There are no secured creditors in the Liquidation

3.2 Preferential creditors

There are no preferential creditors in the Liquidation

3.3 Prescribed Part

The provisions of The Prescribed Part (section 176A of the Insolvency Act 1986 (Prescribed Part) Order 2003) shall not apply as no qualifying floating charge has been created by the Company

3.4 Unsecured creditors

The claims of the unsecured creditors of the Company, inclusive of intercompany liabilities, total £107m per the directors' statement of affairs

As previously discussed it is unlikely that there will be sufficient realisations in the Liquidation to enable a distribution to the unsecured creditors of the Company in this instance

4. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

4.1 Investigations

As part of the Liquidators' statutory duties, an investigation into the conduct of the Company directors has been completed

In this regard, a confidential report was submitted to The Insolvency Service on 10 December 2010. Details of this report are confidential and can not be disclosed to creditors

4.2 Other

As part of our duties as Liquidators, we have reviewed all of the information made available to us and have identified only the assets and actions detailed in Section 2.2 that may result in further realisations in the Liquidation

If you have any information that you feel we should be made aware of in relation to the above, please contact us as a matter of urgency

4.3 SIP 13 (E&W) – Transactions with connected parties

In accordance with the guidance given in SIP13 (E&W), we confirm that there have been no transactions with connected parties during the period of this report or in the two years prior to our appointment

4.4 EC Regulations

Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation

5. LIQUIDATORS' REMUNERATION AND EXPENSES

5.1 Liquidators' Remuneration

5.1.1 Basis of Remuneration

At the meeting of creditors held on 7 July 2010 the basis of the Liquidators' remuneration was fixed by reference to the time properly given by the Liquidators and their staff in attending to matters arising in the Liquidation, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed (plus VAT)

5.1.2 Remuneration

During the past 12 month period the Liquidators have charged total remuneration of £8,911 00 made up of 24 3 hours at an average charge out rate of £367/hour across all grades of staff. Of this sum, a total of £5,720 16 has been drawn and paid as indicated in the receipts and payments account at Appendix 2.

The total charge for remuneration over the period of the Liquidators' appointment is £45,337 00 as detailed at Appendix 3.

The work has been categorised into the following task headings and sub categories:

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case files and insolvency case record, statutory reporting, compliance, cashiering and accounting
- **Investigations** includes investigating the Company's affairs and in particular any antecedent transactions and also reporting on the conduct of its directors
- **Creditors** includes set-up of creditor records, creditor communications, preferential claims, unsecured claims, secured and employee claims

"A Creditors' Guide to Liquidators' Remuneration" is available for download at www.deloitte.com/uk/sip-9-england-and-wales

Should you require a paper copy, please send your request in writing to the Liquidators at the address on the front of this report and this will be provided to you at no cost.

Expenses

During the period covered by this report the Liquidators have incurred expenses of 27 00, which are summarised in the table below

Nature of expenses	Total Incurred in Period £	Paid £	Outstanding £
Statutory Bond	27 00	-	27 00
Total	27 00	-	27 00

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred

5.2 Charge out rates

The range of charge out rates for the separate categories of staff is based on our 2012 charge out rates as summarised below. Manager rates include all grades of assistant manager

Grade	£ 2011	£ 2012
Partners/Directors	560 to 895	585 to 920
Managers	280 to 670	295 to 700
Assistants and Support Staff	175 to 280	150 to 295

The above bands are specific to the Restructuring Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Corporate Finance or Drivers Jonas Deloitte may be required on the case. These departments may charge rates that fall outside the Restructuring Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands.

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

With effect from 1 January 2012, charge out rates were increased by an average 5% and the charge out rate bandings have been amended, where applicable, to reflect this change.

5.3 Other professional costs

As previously advised, SNR Denton were instructed by the Liquidators to advise on appropriate legal matters. In addition, Goodman Nash, a firm of rating agents, were instructed by the Liquidators to undertake a review of non-domestic rate overcharges incurred prior to the Liquidation.

All professional costs are reviewed and analysed before payment is approved.

Advisor	Total (£)
SNR Denton	2,206
Goodman Nash	4,317
Total	6,523

5.4 Creditors' right to request information

Any secured creditor or, unsecured creditor with the support of at least 5% in value of the unsecured creditors or, with permission of the Court, may, in writing, request the Liquidators to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 4.49E of the Rules.

5.5 Creditors' right to challenge Remuneration and/or Expenses

Any secured creditor or, unsecured creditor with the support of at least 10% in value of the unsecured creditors or, with permission of the Court, may apply to the Court for one or more orders (in accordance with Rule 4.131 of the Rules), reducing the amount or the basis of remuneration which the Liquidators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 4.131(1B) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

JARVIS CONSTRUCTION (UK) LIMITED (IN LIQUIDATION)**STATUTORY INFORMATION**

Company Name	Jarvis Construction (UK) Limited	
Previous Names	Jarvis Construction (Scotland) Limited Shanks & McEwan Construction Limited DMWSL 132 Limited	
Proceedings	In Liquidation	
Date of Appointment	7 July 2010	
Joint Liquidators	Nicholas Guy Edwards Deloitte LLP Athene Place 66 Shoe Lane London EC4A 3BQ	Daniel Francis Butters Deloitte LLP 1 City Square Leeds LS1 2AL
	Ian Brown ceased to act 25 May 2011	
Registered office Address	c/o Deloitte LLP One Trinity Gardens Broad Chare Newcastle upon Tyne NE1 2HF	
Company Number	02833805	
Incorporation Date	7 July 1993	
Company Secretary	Secretariat Services Limited	
Bankers	n/a	
Auditors	Grant Thornton UK LLP	
Appointment by	The members and creditors of the Company	
Directors at date of Appointment	Stuart Wilson Laird and Kjell Konrad Karlsen	
Directors' Shareholdings	None	

**JOINT LIQUIDATORS' RECEIPTS & PAYMENTS ACCOUNT FOR THE PERIOD 7 JULY 2010 TO
6 JULY 2012**

**Jarvis Construction (UK) Limited
(In Liquidation)**

JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 07/07/2011 To 06/07/2012 £	From 07/07/2010 To 06/07/2012 £
RECEIPTS			
Bank Interest Gross		0 00	7 88
Non-Domestic Rate Refund		0 00	12,335 19
VAT Received From HM R&C		2,393 48	2,393 48
		<u>2,393 48</u>	<u>14,736 55</u>
PAYMENTS			
Liquidator's Fees		5,720 16	5,720 16
Agents/Valuers Fees (1)		0 00	4,317 32
Legal Fees (1)		2,205 68	2,205 68
VAT Receivable		1,530 02	2,393 48
		<u>9,455 86</u>	<u>14,636 64</u>
BALANCE - 06 July 2012			<u><u>99.91</u></u>

Jarvis Construction UK Limited
(In Liquidation)

Time costs for the period 7 July 2010 to 6 July 2012

	Partners & Directors		Managers		Assistants & Support		TOTAL		Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning									
Cashiering and Statutory Filing	-	-	4 90	1,982 50	1 20	281 50	6 10	2,264 00	371 15
Case Supervision, Management and Closure	-	-	34 20	11,747 50	1 40	361 00	35 60	12,128 50	340 69
Initial Actions (e.g. Notification of Appointment, Securing Assets)	-	-	37 50	11,625 00	5 10	867 00	42 60	12,492 00	293 24
General Reporting	5 00	3,150 00	-	-	-	-	5 00	3,150 00	630 00
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-
	5 00	3,150 00	76 60	25,355 00	7 70	1,529 50	89 30	30,034 50	336 33
Investigations									
Investigations	-	-	-	-	-	-	-	-	-
Reports on Directors' Conduct	-	-	5 50	1,705 00	-	-	5 50	1,705 00	310 00
	-	-	5 50	1,705 00	-	-	5 50	1,705 00	310 00
Creditors									
Employees	-	-	1 50	412 50	-	-	1 50	412 50	275 00
Preferential	-	-	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	-	-	25 00	8,056 00	-	-	25 00	8,056 00	322 24
	-	-	26 50	8,468 50	-	-	26 50	8,468 50	319 57
Other Matters Include.									
Litigation	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-
Tax and VAT	-	-	3 60	2,377 00	11 35	2,752 00	14 95	5,129 00	343 08
	-	-	3 60	2,377 00	11 35	2,752 00	14 95	5,129 00	343 08
TOTAL HOURS & COST	5 00	3,150 00	112 20	37,905 50	19 05	4,281 50	136 25	45,337 00	332 75

TOTAL FEES DRAWN TO DATE

5,720 16