

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



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06/11/2019

#105

COMPANIES HOUSE

1 Company details

Company number 0 4 1 8 5 4 5 3

Company name in full Southgate Construction Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Alexander

Surname Kinninmonth

3 Liquidator's address

Building name/number Highfield Court

Street Tollgate

Post town Chandlers Ford

County/Region Eastleigh

Postcode S O 5 3 3 T Y

Country

4 Liquidator's name

Full forename(s) Richard

Surname Brewer

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number 25 Farrington Street

Street

Post town London

County/Region

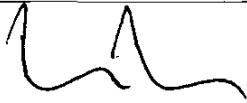
Postcode E C 4 A 4 A B

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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Notice of progress report in voluntary winding up

6	Period of progress report															
From date	d	1	d	9	m	1	m	0	y	2	y	0	y	1	y	8
To date	d	1	d	8	m	1	m	0	y	2	y	0	y	1	y	9
7	Progress report															
<input checked="" type="checkbox"/> The progress report is attached																
8	Sign and date															
Liquidator's signature	Signature 															
Signature date	d	0	d	5	m	1	m	1	y	2	y	0	y	1	y	9

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Notice of progress report in voluntary winding up



Presenter information

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

Contact name	Richard Maiden
Company name	RSM Restructuring Advisory LLP
Address	Highfield Court, Tollgate Chandlers Ford
Post town	Eastleigh
County/Region	
Postcode	S O 5 3 3 T Y
Country	
DX	
Telephone	02380 646 464



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

In the matter of

Southgate Construction Limited – In Creditors Voluntary Liquidation
(‘the Company’)

Joint Liquidators’ progress report

5 November 2019

Richard Brewer and Alexander Kinninmonth
Joint Liquidators

RSM Restructuring Advisory LLP
Highfield Court, Tollgate
Chandlers Ford
Eastleigh
SO53 3TY
Tel: 02380 646 464
Email: restructuring.southampton@rsmuk.com

Sections

1. Progress of the liquidation
2. Details of what remains to be done and matters preventing closure
3. Creditors' claims and dividend prospects
4. Receipts and payments summary
5. Joint Liquidators' remuneration, expenses and disbursements
6. Creditors' right to information and ability to challenge remuneration and expenses

Appendices

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- B. Dividend prospects
- C. Summary of receipts and payments
- D. RSM Restructuring Advisory LLP charging, expenses and disbursements policy
- E. RSM Restructuring Advisory LLP Southampton current charge out and category 2 disbursement rates
- F. Statement of expenses incurred by the Joint Liquidators' in the period from 19 October 2018 to 18 October 2019
- G. Joint Liquidators' time cost analysis for the period from 19 October 2018 to 18 October 2019

This report has been prepared in accordance with insolvency legislation to provide creditors, members and the Registrar of Companies with information relating to the progress of the liquidation in the period from 19 October 2018 to 18 October 2019. It should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of Section 104A of the Insolvency Act 1986 and the relevant legislation. It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

Neither the Joint Liquidators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

I Progress of the liquidation

1.1 Realisation of assets

The Joint Liquidators are obliged to collect in the Company's property and maximise realisations. In some cases this does not result in sufficient realisations to enable a financial return to creditors, after taking into account the costs and expenses of realisation and dealing with the legislative requirements of administering the case. Details of the realisations made are set out below, with information relating to dividends, if any, contained within Appendix B.

1.1.1 Bank Interest

The sum of £0.89 has been received in the period.

1.2 Administration and planning

Certain aspects of the work that the Joint Liquidators undertake are derived from the underlying legal and regulatory framework for cases of this nature. This work, which does not usually result in any direct financial return to creditors, is a necessary aspect of ensuring that the Joint Liquidators are complying with their legislative and best practice responsibilities. It includes matters such as:

- Periodic case reviews, ongoing case planning and strategy
- Maintaining and updating computerised case management records
- Dealing with routine correspondence not attributable to other categories of work
- Ongoing consideration of ethical and anti-money laundering regulations
- General taxation matters, including seeking tax clearance from HMRC
- Preparation of receipts and payments accounts, maintenance of cashing records

2 Details of what remains to be done and matters preventing closure

2.1 Assets remaining to be realised

There are no assets remaining to be realised.

2.2 Other outstanding matters

Since 18 October 2019, the VAT of £1,167 referred to on the attached summary of receipts and payments has now been received and the Joint Liquidators will shortly be issuing our final account to bring this matter to a close.

3 Creditors' claims and dividend prospects

Due to insufficient realisations, there is no prospect of a distribution to creditors. Please see Appendix B.

The Joint Liquidators are obliged to deal with a number of matters in relation to creditors to comply with legislative and best practice requirements and to ensure creditors are kept informed. Creditors would only derive an indirect financial return from this work on cases where a dividend has been paid. These matters include:

- Preparation and issue of progress reports and associated documentation;
- Maintenance of schedules of preferential and unsecured creditors' claims;
- Dealing with correspondence and telephone calls;

3.1 Prescribed part

The 'Prescribed Part' is a statutory amount, calculated as a percentage of net floating charge realisations, which entitles unsecured creditors to a share of realisations. This is calculated on a sliding scale up to maximum of £600,000 before costs.

Whilst there are creditors secured by fixed and qualifying floating charges over the assets and undertaking of the Company, those creditors will receive no recovery under their floating charges. There is therefore no requirement to estimate the amount of the Prescribed Part of the assets under Section

176A of the Insolvency Act 1986.

4 Receipts and payments summary

We attach as Appendix C a summary of our receipts and payments for the period from 19 October 2018 to 18 October 2019.

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

5 Joint Liquidators' remuneration, expenses and disbursements

5.1 Authority

The Joint Liquidators' remuneration was approved on a fixed fee basis by the creditors on 21 December 2018, the resolution stating:

"That in accordance with the fees proposal provided to creditors on 16 November 2018 the Joint Liquidators shall be authorised to draw remuneration at the fixed amount of £2,500 (plus VAT).

Approval was also given to the drawing of "Category 2" disbursements stating:

"The Joint Liquidators shall be authorised to draw 'category 2' disbursements out of the assets as an expense of the liquidation, at the rates prevailing at the time the cost is incurred, current details of which have been advised.

5.2 Remuneration and disbursements incurred in the period from 19 October 2018 to 18 October 2019 and since appointment

The Joint Liquidators are required to report remuneration 'charged' to the case in the current period. The Joint Liquidators have incurred time costs of £5,624 in respect of work done in the current period, a summary of which is attached. Total time costs of £16,952 have been incurred since appointment, of which £686 (plus VAT) has been paid in the reporting period. The balance remains outstanding.

The work that we do as Joint Liquidators is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature in general. The actual matters with which we are dealing are set out briefly in both this report and in our earlier reports to creditors.

The underlying basis of charging proposed to and approved by the creditors has been RSM Restructuring Advisory LLP standard charge out rates. RSM Restructuring Advisory LLP charge out rates have been reviewed periodically.

5.3 Expenses and disbursements

Attached are the Joint Liquidators' charging, expenses and disbursement policy statement, together with the current rates. Details of the expenses (including category 1 and category 2 disbursements) that the Joint Liquidators have incurred in the period of the report are also attached at Appendix F. Expenses paid in the period, along with cumulative figures, are shown in the attached receipts and payments account.

5.3.1 Other professional costs

Whilst professional costs are not subject to approval by the relevant approving body, all professional costs are subject to review before being paid.

Gervis Accountants has been paid the sum of £150 plus VAT for their assistance in completing the company's post appointment Corporation Tax return.

5.4 Pre-appointment fees and expenses

The pre-appointment fees of £5,000 plus disbursements plus VAT for the preparation of the Statement of Affairs and seeking the creditors nomination of a liquidator through the deemed consent procedure were approved by creditors on 21 December 2018. These fees were paid in full in the reporting period.

6 **Creditors' right to information and ability to challenge remuneration and expenses**

In accordance with the provisions of legislation creditors have a right to request further information about remuneration or expenses and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the liquidator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Guide to Liquidators Fees, which provides information for creditors in relation to the remuneration of a Liquidator, can be accessed at <http://rsm.insolvencypoint.com> under 'general information for creditors'.

A hard copy can be requested from my office by telephone, email or in writing.

Should you have any further queries please do not hesitate to contact my office.



Richard Brewer
Restructuring Advisory Director
RSM Restructuring Advisory LLP

Appendix A

Statutory and other information

Company Information	
Company name:	Southgate Construction Limited
Company number:	04185453
Date of incorporation:	22 March 2001
Previous company names:	N/A
Trading name:	Southgate Construction Limited
Trading address:	Home Lea, Ropers Lane, Upton, Poole, Dorset BH16 5HR
Principal activity:	Construction
Registered office:	RSM Restructuring Advisory LLP, Highfield Court, Tollgate, Chandlers Ford, Eastleigh SO53 3TY
Previous registered office:	Home Lea, Ropers Lane, Upton, Poole, Dorset BH16 5HR

Liquidation information		
Joint Liquidators:	Richard Brewer and Alexander Kinninmonth David Smithson (released 21 March 2018)	
Date of appointment:	19 October 2017	
Functions:	<p>The Joint Liquidators' appointment specified that they would have power to act jointly and severally.</p> <p>The Joint Liquidators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment.</p>	
Correspondence address & contact details of case manager	<p>Richard Maiden 02380 646 435 RSM Restructuring Advisory LLP, Highfield Court, Tollgate, Chandlers Ford, Eastleigh, SO53 3TY</p>	
Name, address & contact details of Joint Liquidators	<p>Primary Office Holder</p> <p>Richard Brewer RSM Restructuring Advisory LLP Highfield Court, Tollgate, Chandlers Ford, Eastleigh SO53 3TY 02380 646 464 IP Number: 9038</p>	<p>Joint Office Holder:</p> <p>Alexander Kinninmonth RSM Restructuring Advisory LLP Highfield Court, Tollgate, Chandlers Ford, Eastleigh SO53 3TY 023 80646 464 IP Number: 9019</p>

Appendix B

Dividend Prospects

	Owed	Paid to date	Estimated future prospects
Secured creditor: Brian Southgate	Uncertain	NIL	NIL
Preferential creditors	£422	NIL	NIL
Unsecured creditors	£142,379	NIL	NIL
Estimated net property	N/A		
Estimated prescribed part available for unsecured creditors	N/A		

*Per claims received

Any estimated outcome for creditors is illustrative and may be subject to change.

Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs		From 19/10/2018 To 18/10/2019	From 19/10/2017 To 18/10/2019
£		£	£
	ASSET REALISATIONS		
	Bank Interest Gross	0.89	3.91
	Cash at Bank	NIL	3,500.00
744.00	Other Current Assets	NIL	NIL
2,000.00	Plant & Machinery	NIL	2,000.00
2,000.00	Stock/Inventory on Hand	NIL	2,000.00
		<u>0.89</u>	<u>7,503.91</u>
	COST OF REALISATIONS		
	Accountants Fees	150.00	150.00
	Agents / Valuers Fees	NIL	500.00
	Bank Charges	0.40	0.40
	Office Holders Fees	686.26	686.26
	Preparation of S. of A.	<u>5,000.00</u>	<u>5,000.00</u>
		(5,836.66)	(6,336.66)
	UNSECURED CREDITORS		
(55,571.67)	Trade & Expense Creditors	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
(50,927.67)		<u>(5,835.77)</u>	<u>1,167.25</u>
	REPRESENTED BY		
	Vat Receivable		1,167.25
			<u>1,167.25</u>

Appendix D

RSM Restructuring Advisory LLP charging, expenses and disbursements policy

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- *Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.*
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
- The current charge rates for RSM Restructuring Advisory LLP Southampton are attached.
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A decision regarding the approval of category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Southampton will be sought from the relevant approving party in accordance with the legislative requirements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.

Appendix E

RSM Restructuring Advisory LLP Southampton current charge out and category 2 disbursement rates

Hourly charge out rates	
	Current rates £
Partner	460 to 655
Directors / Associate Directors	360 to 575
Managers / Assistant Managers	225 to 310
Senior Administrators / Administrators	175 to 210
Support Staff	135

Category 2 disbursement rates	
Internal room hire	£100 per room
Subsistence	£25 per night
Travel (car)	42.5p per mile
"Tracker" searches	£10 per case

Appendix F

Statement of expenses incurred in the period from 19 October 2018 to 18 October 2019

Expenses (excluding category 2 disbursements) Type and purpose	Incurred in period	
	Paid £	Unpaid £
Accountant fee – Corporation Tax return	150.00	0.00
Sub Total	150.00	0.00
Category 2 disbursements Recipient, type and purpose		
None incurred in this reporting period	0.00	0.00
Sub Total	0.00	0.00
Total	150.00	0.00

Period	Hours Spent	Partners	Director's Association Hours/Week	Administrative Expenses	Associated Admin. Expenses	Associated Staff	Total Hours	Total Time Costs	Average Rates
From Jan 2003	Administration and Planning								
		0.0	1.7	0.8	1.7	0.0	4.8	£ 1,589.00	331.04
	Case Management Closure	0.0	0.0	0.0	0.2	0.0	0.2	£ 53.00	265.00
	Receipts and Payments	0.0	0.2	0.2	2.0	0.0	2.4	£ 611.00	254.58
	Tax Matters	0.0	0.1	0.7	1.9	0.0	2.7	£ 769.50	285.00
	Total	0.0	2.0	1.7	5.8	0.0	10.1	£ 3,022.50	299.26
Creditors									
	Other Creditor Meetings and Reports	0.1	0.8	5.2	1.8	0.0	7.9	£ 2,477.00	313.54
	Unsecured Creditors	0.0	0.0	0.4	0.0	0.0	0.4	£ 124.00	310.00
	Total	0.1	0.8	5.6	1.8	0.0	8.3	£ 2,601.00	313.37
	Total Hours (From Jan 2003)	0.1	2.8	7.3	7.6	0.0	18.4	£ 5,623.50	305.63
	Total Time Cost (From Jan 2003)	£ 56.00	£ 1,258.00	£ 2,254.50	£ 1,869.00	£ 0.00	£ 5,623.50		
Total Hours									
Total Time Cost		0.1	2.8	7.3	7.6	0.0	18.4	£ 5,623.50	305.63
Average Rates		£ 56.00	£ 1,258.00	£ 2,254.50	£ 1,869.00	£ 0.00	£ 5,623.50		
		560.00	449.29	308.84	245.92	0.00	305.63		