

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

04394697

Name of Company

Conform Construction Limited

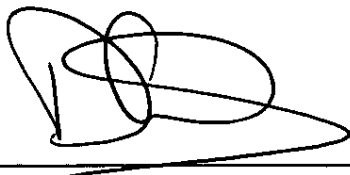
I / ~~We~~

Dave Clark, Clark Business Recovery Limited, 26 York Place, Leeds, LS1 2EY

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 19/06/2013 to 18/06/2014

Signed



Date

12/08/14

Clark Business Recovery Limited
26 York Place
Leeds
LS1 2EY

Ref CON2013/DNC/PH/PDC

THURSDAY



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14/08/2014

#206

COMPANIES HOUSE

Conform Construction Limited
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

Statement of Affairs		From 19/06/2013 To 18/06/2014
	ASSET REALISATIONS	
1,500 00	Plant & Machinery	1,000 00
320 00	Office Equipment	NIL
	Motor Vehicles	2,244 75
9,000 00	Stock	NIL
NIL	WIP	NIL
50,082 00	Retentions	NIL
	Debtor Contributions	7,500 00
	Bank Interest Gross	4 27
	Rates Refund	83 19
		<u>10,832 21</u>
	COST OF REALISATIONS	
	Bordereau	180 00
	Preparation of S of A	2,500 00
	Agents/Valuers Fees (1)	500 00
	Statutory Advertising	210 00
		<u>(3,390 00)</u>
	FLOATING CHARGE CREDITORS	
(92,414 00)	Bank of Scotland	<u>NIL</u>
		NIL
	UNSECURED CREDITORS	
(1,353,026 00)	Trade & Expense Creditors	NIL
(5,250 00)	Landlord	NIL
(121,651 00)	H M Revenue & Customs	<u>NIL</u>
		NIL
	DISTRIBUTIONS	
(120 00)	Ordinary Shareholders	<u>NIL</u>
		NIL
<u>(1,511,559.00)</u>		<u><u>7,442.21</u></u>
	REPRESENTED BY	
	Vat Receivable	600 00
	Bank 1 Current	7,042 21
	Vat Payable	(200 00)
		<u><u>7,442.21</u></u>



Dave Clark
Liquidator

**CONFORM CONSTRUCTION
LIMITED - IN LIQUIDATION**

**PROGRESS REPORT TO MEMBERS AND
CREDITORS**

**PURSUANT TO S104A OF THE INSOLVENCY
ACT 1986**

**AND RULE 4.49C OF THE INSOLVENCY RULES
1986**

DATE OF LIQUIDATION: 19 JUNE 2013

NAME OF LIQUIDATOR: DAVE CLARK

**LIQUIDATORS ADDRESS: CLARK BUSINESS RECOVERY
LIMITED, 26 YORK PLACE, LEEDS, LS1 2EY**

Conform Construction Limited - In Liquidation

Company number 04394697

Registered Office: Clark Business Recovery Limited, 26 York Place, Leeds, LS1 2EY

1 Introduction

Dave Clark of Clark Business Recovery Limited was appointed Liquidator of the Company by shareholders and creditors on 19 June 2013

This report sets out an account of the acts and dealings and of the conduct of the liquidation for the year from 19 June 2013 to 18 June 2014

Prior to liquidation the Company originally operated as a joinery and construction company, and latterly as a ground work company, and traded from Pepper Road, Leeds, West Yorkshire, LS10 2RU

2. Receipts and payments account

Attached is my abstract receipts and payments account for the year 19 June 2013 to 18 June 2014

Where possible all funds have been held on an interest bearing account in order to maximise the level of realisations

3. Asset realisation

Realisations during the course of the liquidation can be compared to the Statement of Affairs as shown on the attached receipts and payments account

Plant & machinery and office equipment

The Statement of Affairs showed the Company to own a small amount of plant & machinery and office equipment which were valued by Michael Steel & Co, Chartered surveyors ('my agent') on an in-situ basis following the directors' indications that they were interested in purchasing these assets

The estimated to realise values were £1,500 and £320 respectively These assets consisted of a portable building that was used as the Company's temporary office space, a trailer mounted single axle browser and some aging computer and kitchen equipment

After a number of discussions regarding these assets, no offer was received from the directors An offer was received from the landlord of the former trading premises in the sum of £1,000 plus VAT and in light of the costs involved in removing these assets, my agent advised that this offer be accepted

Payment in full was received on 3 September 2013

Rates refund

The sum of £83 has been realised in respect of a rates refund

Motor vehicles

The directors' Statement of Affairs did not include motor vehicles as the directors advised my agent that none were owned by the Company

Shortly after my appointment, I was contacted by Lombard North Central Plc ('Lombard') regarding a Ford Ranger subject to a HP agreement with the Company. After further investigation the directors explained that the vehicle had been damaged and returned to Lombard.

Confirmation was received from Lombard that the vehicle had been returned and a cheque for £2,245 was received from Lombard in relation to the excess of sale of this vehicle.

WIP and retentions

The Statement of Affairs showed the Company's WIP and retentions to have a book value of £635,000 and £125,000 respectively. Following my appointment I instructed Contract Recovery Solutions ('CRS'), quantity surveyors and debt recovery specialists, to carry out a WIP and debtor review. CRS advised me that the WIP should be written off as the main contractor had issued termination notices to the Company in respect of the unfinished contracts. As a result of the termination notices no novation of the contracts to preserve the value of the WIP was possible.

CRS advised that a general provision of 60% should be applied to the retentions list to account for anticipated defects claims and retentions due in connection with the contracts subject to termination notices. Accordingly, the Statement of Affairs showed an estimated to realise value of £50,082 in respect of the outstanding retentions.

To date, no realisations have been made from this source. Discussions have taken place with the main contractor, Carillion PLC, regarding a potential early settlement. However, since my appointment, Carillion have changed their onsite quantity surveyor and have disputed that any amount is due to the Company after the costs of remedial works.

Despite their reluctance to discuss the matter of the retentions, Carillion have confirmed to my QS that they are currently working on site to rectify any defects regarding these retentions and that this work is due to be completed before the start of September 2014.

A meeting has been provisionally scheduled by my QS to meet with Carillion to discuss the substantiation of these defects.

Of the remaining retentions, no documentation has been provided to allow my QS to investigate and pursue any outstanding retentions. As a result, the only realisations from this source are anticipated to be from the retentions due on the Carillion contracts.

Stock

According to the directors, the Company owned some groundwork stock that was held on three separate sites. My agent advised me that the value of this stock at cost would be approximately £30,000. The main contractor of these sites refused to allow access for this stock to be removed until 'title was proved'.

My agent confirmed that this stock was subject to a number of Retention of Title clauses and that the estimated to realise value of this stock was £9,000 on an in-situ basis, and £5,000 on an ex situ basis.

As the main contractor would not enter into negotiations regarding taking on this stock to allow the completion of site work or allow access to two of the sites to remove this stock, these assets were abandoned and the suppliers claiming title advised accordingly.

The Liquidator was given permission to access one of the sites to remove the stock however, CRS confirmed that this stock had no significant value and the costs of removing this stock would be disproportionate to the benefits of creditors. As a result, this stock was also abandoned.

Terminal loss relief claim

A review of the Company's last three years accounts have been undertaken to determine the possibility of a terminal loss relief claim being due to the Company.

Having considered the position regarding this potential claim, the Company's accountant has confirmed that it is unlikely to lead to any possible recovery in the liquidation.

Directors' contribution to costs

The sum of £7,500 has been received in respect of the directors' contributions towards the costs of the liquidation.

4 Investigation

An investigation has been conducted into the Company in accordance with the requirements of the Company Directors Disqualification Act 1986 and a report has been submitted to the Department for Business Innovation and Skills as required. The contents of that report are confidential and cannot be disclosed or discussed with creditors.

The detailed investigation matters as set out in Statement of Insolvency Practice 2 have also been completed. There are no matters arising from this investigation that require any further action that would provide any additional funds for the benefit of creditors.

5. Liabilities

Secured creditors

Information available from Companies House shows a debenture in favour of Bank of Scotland Plc creating a fixed and floating charge over the Company's assets, registered on 28 May 2010. As there are no fixed charge assets, any distribution to the secured creditor would be under their floating charge if sufficient realisations are made.

Preferential creditors

According to the Statement of Affairs and information provided by the directors, there are no preferential creditors of the Company.

Prescribed part

In accordance with Section 176A of the Insolvency Act 1986, the Liquidator is required to set aside a prescribed amount of the Company's 'net property' towards the satisfaction of unsecured debts. Net property is the amount of property that would otherwise be available for satisfaction of holders of debentures, secured by, or holders of, any floating charge created by the Company after 15 September 2003.

As the charge in favour of Bank of Scotland Plc was created on 25 May 2010, these provisions will be applied in the event that a distribution is made to Bank of Scotland under their floating charge.

Unsecured creditors

The Insolvency Act 1986 provides that the Liquidator should give creditors formal notice that there will be no dividend to creditors. This report should be treated as formal notice that no dividend will be made to creditors.

6 Liquidation fees

At the meeting of creditors held on 19 June 2013 creditors voted in favour of a resolution that the Liquidator's remuneration be fixed by reference to time properly given by the Liquidator and his staff in attending to matters arising in the liquidation to be drawn from time to time.

Statement of Insolvency Practice 9 ("SIP9") outlines the information to be provided to creditors by the office holder when dealing with the matter of his remuneration, this includes a creditors guide to these costs. This is available upon request or can be viewed at www.insolvency-practitioners.org.uk

The total time spent on the liquidation in the year was 89.8 hours, at an average rate of £232.85 per hour, giving total time costs of £20,910. I have received no funds on account of these costs, and the balance remains un-discharged. A breakdown in accordance with SIP9 is attached.

This does not include time spent in the preparation of the Statement of Affairs for which £5,000 plus VAT was approved. I have received no funds on account of these costs to date.

The Firm's hourly charge out rates changed with effect from 1 April 2014. The revised rates applicable in this case are as follows:

Grade of Staff	(£)
Director / Associate	370
Senior Manager / Manager	310
Senior	210
Case Administrator	190
Other	120

Please note that time is charged in 6 minute units rounded up to the nearest unit.

7. Liquidation expenses and disbursements

The following expenses have been incurred in respect of the Liquidation:

- The sum of £2,500 plus VAT has been paid to Urquhart Warner Myers for their work carried out assisting with the preparation of the Statement of Affairs and report to creditors, and
- The sum of £500 plus VAT has been paid to Michael Steel & Co Limited for their work carried out preparing a valuation of the Company's assets and advising on their subsequent sale.

The choice of professionals was based on perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the Liquidator's fee arrangement with them.

The following disbursements have been incurred:

Category 1	£	Category 2	£
Bordereau	180.00	Stationery & Postage	750.00
Companies House	13.00		
Statutory Advertising	210.00		
Total	403.00		750.00

A copy of Clark Business Recovery Limited's disbursements policy is attached detailing how these costs are recharged Details of the payments made are shown in the attached receipts and payments account

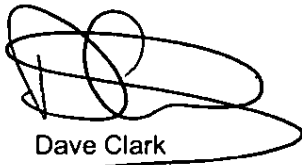
In accordance with Rule 4 49E of the Insolvency Rules 1986 Members or Creditors have the right to request further information about the office holder's remuneration or expenses and may request additional information relating to the conduct of the Liquidation Such requests should be made within 21 days of this report in writing to the office holder at the address shown above

Furthermore, in accordance with Rule 4 131 of the Insolvency Rules 1986, creditors have the right to claim that the office holder's remuneration or expenses are excessive Such applications should be made to court no later than 8 weeks after receipt of this report

8 Conclusion

The issues relating to the recovery of any realisations from the WIP & retentions and the payment of any potential distribution to the floating charge creditor will need to be resolved before a final meeting can be called

If you require any further information or clarification on any matter, please do not hesitate to contact Phil Clark of this office

A handwritten signature in black ink, appearing to be 'Dave Clark', written over a horizontal line.

Dave Clark

Liquidator

Date 12 August 2014

Conform Construction Limited – In Liquidation

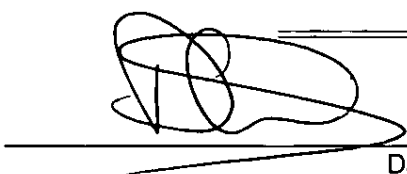
Time Analysis in Hours at 18 June 2014

	<u>Partner</u>	<u>Manager</u>	<u>Senior/ Administrator</u>	<u>Total</u>	<u>Time Cost £</u>
Administration & Planning	3 6	4 5	23 5	31 6	6,620
Creditors	6 2	11 3	15 5	33 0	8,200
Cashiering	2 2	1 1	7 1	10 4	2,378
Investigations	0 7	4 5	0 6	5 8	1,655
Realisation of Assets	0 4	3 2	5 4	9 0	2,057
Trading	0 0	0 0	0 0	0 0	0
Total	<u>13 1</u>	<u>24 6</u>	<u>52.1</u>	<u>89 8</u>	<u>20,910</u>

Total Time Costs **£ 20,910**

Total Hours **89 8**

Average Hourly
Rate **£ 232 85**

S of A £		£	£
	ASSET REALISATIONS		
1,500 00	Plant & Machinery	1,000 00	
320 00	Office Equipment	NIL	
	Motor Vehicles	2,244 75	
9,000 00	Stock	NIL	
NIL	WIP	NIL	
50,082 00	Retentions	NIL	
	Directors Contributions to Costs	7,500 00	
	Bank Interest Gross	4 27	
	Rates Refund	83 19	
			10,832 21
	COST OF REALISATIONS		
	Bordereau	180 00	
	Preparation of S of A	2,500 00	
	Agents/Valuers Fees (1)	500 00	
	Statutory Advertising	210 00	(3,390 00)
	FLOATING CHARGE CREDITORS		
(92,414 00)	Bank of Scotland	NIL	NIL
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(120 00)	Ordinary Shareholders	NIL	NIL
(1,511,559 00)			7,442.21
	REPRESENTED BY		
	Vat Receivable		600 00
	Bank 1 Current		7,042 21
	Vat Payable		(200 00)
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			Dave Clark Liquidator