

Rule 1 26A/1 54

The Insolvency Act 1986

Notice to Registrar of Companies of
Supervisor's Progress Report

Pursuant to Rule 1 26A(4)(a) or
Rule 1 54 of the
Insolvency Rules 1986

R.1.26A(4)(a)/

R.1.54

For Official Use

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To the Registrar of Companies

Company Number

04518928

Name of Company

Capital Construction & Groundworks Limited

I / We

Ashleigh William Fletcher, Kendal House, 41 Scotland Street, Sheffield, S3 7BS

Gareth David Rusling, Kendal House, 41 Scotland Street, Sheffield, S3 7BS

supervisor(s) of a voluntary arrangement taking effect on

23 April 2015

Attach my progress report for the period

23 April 2015

to

22 April 2016

Number of continuation sheets (if any) attached

☐

Signed

Date

22 / 06 / 16

Begbies Traynor (SY) LLP
Kendal House
41 Scotland Street
Sheffield
S3 7BS

Sheffield North@Begbies-Traynor.com
Ref C413415/f/AWF/KR

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Insolvency Section

Post Room

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23/06/2016

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COMPANIES HOUSE

**Voluntary Arrangement of
Capital Construction & Groundworks Limited**

**Statement
of Affairs**

**From 23/04/2015
To 22/04/2016**

ASSET REALISATIONS

Voluntary Contributions	92,300 00
Bank Interest Gross	19 14
	<u>92,319 14</u>

COST OF REALISATIONS

Professional Fees	4,500 00
Nominees Fee	7,500 00
Supervisors Fees	13,830 00
Disbursements	
Mileage	83 22
Postage	16 32
Accountants Fees	2,500 00
	<u>(28,429 54)</u>

63,889.60

REPRESENTED BY

VAT Receivable	866 00
Bank Balance	63,023 60
	<u>63,889.60</u>



Ashleigh William Fletcher
Joint Supervisor

No 295 of 2015

Ashleigh William Fletcher and Gareth David Rusling appointed joint supervisors on 23 April 2015

Capital Construction & Groundworks Limited (Company Voluntary Arrangement)

Joint Supervisors' Progress Report pursuant to
Rule 1.26A of The Insolvency Rules 1986

Period. 23 April 2015 to 22 April 2016

Important Notice

This progress report has been produced by the supervisors solely to comply with their statutory duty to report to creditors on the progress of the Voluntary Arrangement. 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.

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1 INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Capital Construction & Groundworks Limited (Under a Voluntary Arrangement)
"the Supervisors"	Ashleigh William Fletcher of, Kendal House, 41 Scotland Street, Sheffield, S3 7BS, Sheffield North@Begbies-Traynor com and Gareth David Rusling of Begbies Traynor (SY) LLP, Kendal House, 41 Scotland Street, Sheffield, S3 7BS
"the Arrangement"	The terms of the Proposal, Standard Conditions and any modifications (and/or variations) agreed by the Company's creditors
"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)

2. RELEVANT INFORMATION

Name of Company	Capital Construction & Groundworks Limited
Trading name(s)	-
Date of Incorporation	
Company registered number	04518928
Company registered office	Copia House Great Cliffe Court, Great Cliffe Road, Barnsley, South Yorkshire, S75 3SP
Commencement date of the Arrangement	23 April 2015
Duration of the Arrangement	60 Months
Main provisions of the Arrangement	Monthly contributions of £6,600 for a period of 60 months, resulting in an estimated return to unsecured creditors of 40p in the £

	The terms of the CVA were modified by creditors to state that monthly contributions of £7,300 were required for the duration of the CVA term
	In addition the terms of the CVA were modified to state that the overdrawn directors' loan account of £34,583 was to be repaid directly into the CVA estate rather than to the company
Variations to the Arrangement since approval	There have been no variations to the original (modified) proposals
Dividend(s) paid to creditors	No dividends paid to date
Anticipated dividend	It is anticipated that the estimated return of 40p in the £ will be exceeded. Although the exact calculation of the total return to unsecured creditors will depend on the final realisations, claims and costs of the CVA, the current estimated return is 44.5p in the £

3. INTRODUCTION

- 3.1 Pursuant to Rule 1.26A(6) of the Rules, the Supervisors are required to send the Company, its creditors (bound by the Arrangement) and its members an abstract of receipts and payments which shows all receipts and payments of money whilst the Supervisors have been acting as supervisors of the Arrangement
- 3.2 In addition to accounting for the receipts and payments, Rule 1.26A requires the Supervisors to report on the progress of the Arrangement and the prospects for its full implementation
- 3.3 This is the Supervisors' first annual report, which should be read in conjunction with the Proposal of the directors and accompanying documents approved at the meeting of creditors

4 ABSTRACT OF RECEIPTS AND PAYMENTS

Please find at Appendix 1 an abstract which shows the receipts and payments during the period of this report

5 PROGRESS DURING THE PERIOD OF THIS REPORT

- 5.1 Set out below are details of the progress that has been made during the period of this report
- 5.2 The terms of the Arrangement as modified are detailed above
- 5.2.1 In relation to the monthly contributions I can confirm that these payments are up to date

No contributions have been made into the CVA estate to date in relation to the repayment of the overdrawn directors' loan account, but the director is aware of this requirement and intends to comply with this condition during the currency of the CVA

6. PROSPECTS FOR FULL IMPLEMENTATION OF THE ARRANGEMENT

It is anticipated that the CVA will be fully implemented based on current information

7 ESTIMATED OUTCOME FOR CREDITORS

- 7.1 The total amount owed to creditors at the commencement of the Arrangement was £874,368
- 7.2 The Supervisors have become aware of higher claims than originally anticipated and although final claims are yet to be agreed they are estimated to be in the region of £937,012
- 7.3 On the basis of sums received to date and estimated future receipts the Supervisors estimate an outcome for creditors in total of 44.5p in the £. They expect to be in a position to pay a first dividend of 10-15p in the £ on the second anniversary of the approval of the CVA. The main delay relates to the finalising of the liability to HM Revenue & Customs

8 JOINT SUPERVISOR'S REMUNERATION & DISBURSEMENTS

The Supervisors' remuneration has been fixed by reference to the time properly given by them (as Supervisors) and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (SY) LLP for attending to matters arising in the Arrangement and they are authorised to draw disbursements, including disbursements for services provided by their firm (defined as category 2 disbursements in Statement of Insolvency Practice 9), in accordance with their firm's policy, details of which are attached at Appendix 2 of this report

The following further information in relation to the Supervisors' time costs and disbursements is set out at Appendix 2

- ☐ Begbies Traynor (SY) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (SY) LLP's charge-out rates
- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 23 April 2015 to 22 April 2016

For the period from 23 April 2015 to 22 April 2016 the Supervisors have drawn the sum of £13,830 plus VAT by way of remuneration plus disbursements of £99.54 plus VAT. Based on this level of time costs it is anticipated that the original estimate of total Supervisors time costs will be exceeded

- 8.1 Details of the Category 2 disbursements that have been drawn during the period of this report in accordance with the approval obtained in the total sum of £99.54 plus VAT are provided below

<p>Other amounts paid or payable to any party in which the office holder or his firm or any associate has an interest</p>

Type and purpose	Amount £
Mileage	83 22
Postage	16 32
TOTAL	99 54

A copy of 'Voluntary Arrangements – A Creditors' Guide to Insolvency Practitioners' Fees (E&W) 2011' which provides guidance on creditors' rights can be obtained online at 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.

9. OTHER RELEVANT INFORMATION

Not applicable

10 CONCLUSION

The Supervisors will report again in approximately 1 year's time or at the conclusion of the Arrangement, whichever is the sooner.



Asleigh William Fletcher
Joint Supervisor

Dated 22 June 2016

JOINT SUPERVISORS' ACCOUNT OF RECEIPTS AND PAYMENTS

Period 23 April 2015 to 22 April 2016

**Voluntary Arrangement of
Capital Construction & Groundworks Limited**

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To 22/04/2016**

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63,889 60

REPRESENTED BY


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Bank Balance

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Ashleigh William Fletcher
Joint Supervisor

JOINT SUPERVISORS' TIME COSTS AND EXPENSES

- a Begbies Traynor (SY) LLP's policy for re-charging expenses/disbursements
- b Begbies Traynor (SY) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value for the period from 23 April 2015 to 22 April 2016

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 guidance¹ 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.

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 and 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 expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- 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 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.

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 Sheffield office as at the date of this report are as follows:

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

Grade of staff	Charge-out rate (£ per hour)
Directors/Office Holders	365
Senior Managers	325
Managers	305
Senior Administrators	230
Administrators	191
Junior Administrators	80
Support	40

Time is recorded in 6 minute units

Capital Construction & Groundworks Limited

SUMMARY OF TIME COSTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case

What work has been done in the period of the report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous report contains the costs of the work undertaken since our appointment.

General case administration and planning

The Joint Supervisor is required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case. Correspond with the company in relation to various compliance issues, periodically review the case, and in this case the Joint Supervisors had to familiarise themselves with the CVA terms, and set up the case on the IPS system

Compliance with the Insolvency Act, Rules and best practice

Time has been incurred in relation to banking, monitoring of contributions, statutory reporting, etc

Realisation of assets

Time has been recorded under this heading in relation to the payment, monitoring and collection of monthly contribution and the review of trading figures

Dealing with all creditors' claims (including employees), correspondence and distributions

Time has been incurred corresponding with creditors including case updates, dividend prospects, etc the review of claims, and the clarification of specific claims

Other matters which includes meetings, tax, litigation, pensions and travel

Time has been incurred in relation to tax issues during the period of this report

Time Costs Analysis

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the case.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

Category 2 Disbursements

See body of report for details of disbursements charged to date

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

Periodic reviews, monitoring of the CVA to ensure compliance, and the proposing of a variation proposal are the steps to be carried out during the following period of the CVA

Compliance with the Insolvency Act, Rules and best practice

That the Insolvency Act and Rules require the Joint Supervisor to (1) produce progress reports (2) produce a final report (3) file information with the Registrar of Companies (4) ensure that the case is adequately bonded

Realisation of assets

The ongoing monitoring of contributions will be carried out for the remainder of the CVA term, in addition to the realisation of the overdrawn directors' loan account

Dealing with all creditors' claims (including employees), correspondence and distributions

There is a likelihood that creditors will seek updates in relation to the CVA moving forward, as well as the finalising of claims and distributions to creditors

Other matters which includes meetings, tax, litigation, pensions and travel

Ongoing correspondence with HMRC is anticipated moving forward

How much will this further work cost?

If the CVA is straightforward moving forward it is estimated to cost approximately £6,000 plus VAT to manage this case, per annum

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above will relate mainly to postage, and is expected to be a nominal sum in comparison to the funds distributed to creditors

Time and Expenses Report - Summary

91C413415.CVA | CVA - Capital Construction & Groundworks | From 23/04/2015 To 22/04/2016

	Action Code	Partner Code	Director Code	Senior Manager Code	Senior Case Administrator Code	Case Administrator Code	Support & Cashiering Code	Other Code	Total Hours	Total Cost	Avg Rate
Administration	1ADMIN	5	0 10	0 00	1 10	4 40	0 50	0 00	11 10	2,913.40	220.00
Banking	1BANK	0	0 20	0 00	0 60	7 40	1 70	0 00	11 90	1,952.00	160.18
Claims, proofs and distributions	1CLAIM	15 9	0 50	0 00	0 30	3 30	0 00	0 00	23 00	6,263.80	324.38
Floating Charge Assets	1ELCHG	0	0 00	0 00	0 00	1 60	0 20	0 00	1 80	343.80	191.00
Case strategy, and planning	1PLAN	1 1	0 00	0 00	0 20	3 10	0 90	0 00	5 40	1,174.10	222.64
VAT and TAX	1VATTX	0 4	0 10	0 00	0 00	1 90	0 60	0 00	3 00	660.00	215.86
Debt Collection	1DTCOL	0 5	0 00	0 00	0 00	0 00	0 00	0 00	0 50	162.50	325.00
Sale of Business/Assets	1SALE	2 4	0 00	0 00	0 00	0 00	0 00	0 00	2 40	780.00	325.00
Statutory reports and returns	1STAT	0	0 00	0 00	0 00	0 60	0 00	0 00	0 80	122.60	153.25
Total Hours		25 30	0 90	0 00	2 20	22 30	3 90	0 00	59 90		
Total Cost		8 378.50	328.50	0 00	671.00	4 037.30	744.90	212.00		14,372.20	

Employee / Dist Costs	0 00
Dist Fees Drawn	0 00
Time Fees Drawn	13,830.00
Outstanding Costs	542.20