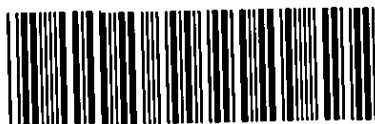


Joint Liquidators' Annual Progress Report to Creditors

**Prescott Construction Limited
- In Compulsory Liquidation**

29 March 2017

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PRESCOTT CONSTRUCTION LIMITED - IN COMPULSORY LIQUIDATION

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PRESCOTT CONSTRUCTION LIMITED - IN COMPULSORY LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Nicholas Laurie West, together with my partner Philip Barrington Wood, of Barringtons Corporate Recovery, The Rural Enterprise Centre, Battlefield Enterprise Park, Shrewsbury, SY1 3FE, was appointed as Joint Liquidator of Prescott Construction Limited (the **Company**) on 30 March 2016 following the presentation of a petition for the compulsory winding up of the Company. The winding-up order was made on 30 March 2016 in the Telford County Court under court reference number 23 of 2016. This progress report covers the period from 30 March 2016 to 29 March 2017 (the **Period**) and should be read in conjunction with any previous progress reports which have been issued.
- 1.2 The registered office of the Company has been changed to BCR, Rural Enterprise Centre, Battlefield Enterprise Park, Shrewsbury, SY1 3FE and its registered number is 07137007.

2 Progress of the Liquidation

- 2.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 2.2 Attached is my Receipts and Payments Account for the Period.

Administration (including statutory compliance & reporting)

- 2.3 The Liquidators must comply with certain statutory compliance matters in accordance with the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees estimate/information.
- 2.4 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidators.

Realisation of Assets

- 2.5 At the date of Liquidation the company owned a Benford dumper registered in the early 1990's which had numerous mechanical issues. An offer was received for £800 plus VAT from the former director which my agent advised acceptance on the basis that the repairs, including a cracked chassis, engine problems, steering and axle leaks would make it uneconomical. I can confirm that £800 plus VAT was received from Tom Evans, the former Director, on 8 September 2016.
- 2.6 The Company's Ford Transit Van was subject to a hire purchase agreement and following advice from my agent there was believed to be no equity for the liquidation estate.
- 2.7 A 120 Compactor Roller, valued during March 2014 at £5,000 was set off against a repairer's invoice of £4,339.14 prior to my appointment.
- 2.8 My agent, Matt Lyons MRICS of Griffin James, who is a RICS registered valuer, advised on the above.
- 2.9 The only asset remaining to be realised is the overdrawn Directors Loan Account. Following investigation it appears that a balance of £33,346.54 is owing to the company. At the date of this report no payments have been received however, the Directors have since proposed a repayment plan of £500 per month to be reviewed six monthly.

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- 2.10 It is considered that the work the Liquidators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company.

Creditors (claims and distributions)

- 2.11 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.12 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 2.13 The above work will not necessarily bring any financial benefit to creditors generally, however the Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidators in dealing with those claims.

Investigations

- 2.14 As you may be aware, in a compulsory liquidation the duty to investigate the Company's affairs is the responsibility of the Official Receiver. There is no requirement on the Liquidators to submit a report or return on the directors' conduct to the Department for Business, Energy & Industrial strategy, however where matters are brought to the Liquidators' attention these are reported as appropriate to the Official Receiver for further consideration.
- 2.15 I would confirm that I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate and that may need reporting to the Official Receiver. This assessment took into account information provided by creditors either at the initial meeting or as a response to my request to complete an investigation questionnaire. My investigations have not revealed any issues requiring further report.

3 Creditors

Secured Creditors

- 3.1 National Westminster Bank PLC ("NatWest") holds a fixed and floating charge over the Company's assets. At the date of the liquidation the indebtedness to NatWest was estimated at £29,000. A provisional claim has been received for £19,830.26.

Unsecured Creditors

- 3.2 I have received claims totalling £39,118.82 from two creditors. I am yet to receive a claim from one creditor whose debt is estimated to total £982.68.
- 3.3 The Company granted a floating charge to NatWest on 22 September 2010. Accordingly, I am required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**). Based on present information it is uncertain what the value of the Company's net floating charge property will be in order to calculate the value of the unsecured creditors' fund.

PRESCOTT CONSTRUCTION LIMITED - IN COMPULSORY LIQUIDATION

4 Joint Liquidators' Remuneration

- 4.1 The Creditors approved that the basis of the Liquidators' remuneration be fixed as a set amount of £8,000 in addition to a fee equivalent to 25% of all realisations achieved. The fees are to be paid at the liquidators' discretion, as and when funds permit
- 4.2 The Creditors also approved the joint liquidators be authorised to draw Category 2 disbursements in accordance with their firm's published tariff. Disbursements incurred to date include Statutory Advertising of £79 and Agents Fees of £500.
- 4.3 No remuneration or disbursements have been drawn to date.
- 4.4 At the date of this report, I would confirm that my fees estimate for the liquidation remains unchanged.
- 4.5 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.bcr-insolvency.co.uk/downloads/
- 4.6 Attached is additional information in relation to the Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

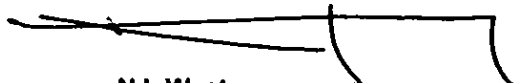
5 Creditors' rights

- 5.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 5.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidators, as set out in this progress report, are excessive.

6 Next Report

- 6.1 I am required to provide a further report on the progress of the liquidation within two months of the end of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final progress report ahead of convening the final meeting of creditors.

Yours faithfully



N L West
Joint Liquidator

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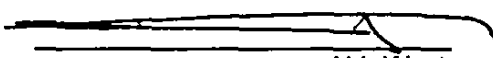
**Prescott Construction Limited
(In Compulsory Liquidation)**

**Summary of Liquidators Receipts & Payments
for the period 30 March 2016 to 29 March 2017**

	Total £
RECEIPTS	
Plant & Machinery	800.00
Deposit on Creditors Petition	1,350.00
	2,150.00
PAYMENTS	
ISA Quarterly Fees	88.00
Company Liquidation Admin Fee	2,520.00
	2,608.00
ISA Balance as at 29 March 2017	(458.00)

Notes

- (1) The above Receipts and Payments Account has been reconciled with the records of The Insolvency Service.


N L West
Joint Liquidator

BCR Remuneration and Disbursement Schedule

Remuneration

If a resolution has, or will be proposed which authorises remuneration to be drawn by the office holder on a time cost basis by reference to time properly spent on the case, the following rates will prevail. Time is charged to a case in actual hours and minutes, with time being recorded in 6 minute units. Periodically, this firm may increase its hourly rates and should this occur during the administration of the case, creditors will be informed when the office holder next reports to them.

Charge out rates with effect from 1 October 2012 are as follows:

Director/Partner	£375 per hour
Manager	£250 per hour
Assistant Manager	£200 per hour
Senior Administrator	£175 per hour
Case Administrator	£135 per hour
Trainee Administrator	£110 per hour
Support	£90 per hour

Disbursements

Disbursements are charged as follows:
(with effect from 1 October 2012).

Category 1 Disbursements

These comprise specific expenses which relate to the administration of the insolvency case and which are paid to an independent third party. Examples include postage, case advertising, specific case bond, company search costs and any travel and accommodation (excluding mileage). Approval is not required for the drawing of Category 1 disbursements.

Category 2 Disbursements (approval required)

These represent costs which, while being in the nature of expenses or disbursements, include elements of shared or allocated costs. Examples include the following:

- Expenses covering all stationery and printing, including notices to creditors and contributories of the first meeting of creditors and contributories, are charged at £175 where the number of creditors and contributories does not exceed 25 and £40 for every additional 10 creditors and contributories or part thereof. Where any subsequent or annual meeting of creditors and contributories is held, or any annual report is issued, the charges are £155 and £35 respectively.
- Room hire, for each statutory meeting of creditors a charge of £100 per meeting is made. Should the room hire be in excess of £100, the cost of the room hire will be charged.
- Mileage/motor expenses are charged at the rate of 45p per mile.
- Storage of books and records is charged at the rate of £5 per box per quarter.

Further Information

Should you require further clarification in respect of remuneration and disbursements, then please contact Phil Wood.

BCR
Rural Enterprise Centre
Battlefield Enterprise Park
Shrewsbury
SY1 3FE

Tel: 01743 540 145
Website: www.bcr-insolvency.co.uk
Email: insol@bcr-insolvency.co.uk

For copies of creditors guides to fees please refer to:
www.bcr-insolvency.co.uk/downloads